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January, 1943.

1.

NATIONAL LABOUR LEGISLATION.

Government of India.

Mines Maternity Benefit Rules, 1943.

The Government of India has adopted the Mines Maternity Benefit Rules, 1943, to administer the Mines Maternity Benefit Act, 1941 (vide pages 1 to 2 of our November 1941 report).

(Notification No. M1285 dated 7-1-1943.  
The Gazette of India, Part I, Sec. 1,  
dated 16-1-1943, pages 91 to 93).

NOTE: table of contents missing

attached are full versions of two speeches:

- (a) B.R. Ambedkar on Labour and the War
- (b) H.C. Puri on Labour and the Government



## SOCIAL POLICY

### Labour in War-Time:

#### Broadcast Speeches of Dr. Ambedkar and Mr. Prior.

In December 1942, Dr. B.R. Ambedkar and Mr. H.C. Prior, Member and Secretary, respectively, of the Department of Labour, Government of India, gave broadcast talks from the All India Radio on Indian labour problems; Dr. Ambedkar, spoke on the "Ideals of Indian Labour" from Bombay, and Mr. Prior on Government-Labour relations from Delhi. The main points made out in these important pronouncements by the heads of the Labour Department of the Central Government are summarised below:-

#### Dr. Ambedkar's Speech:- Ideal of Liberty, Equality and Fraternity.-

Dealing with the ideals of Indian labour, Dr. Ambedkar pointed out that during the war, labour has already secured many gains and will secure many more. It has obtained the right to safety, care and attention, through the conditions of welfare which have been enforced by the Central Government upon employers for the benefit of labour. But labour is not content with securing merely fair conditions of work; what labour wants is fair conditions of life. 'Conditions of life' for the Indian worker are made of several ideals. First, he wants liberty, not in the sense of absence of restraint or the mere recognition of the right of the people to vote, but the government of the country by the people; this means more than Parliamentary Democracy. Parliamentary Democracy is a form of government in which the function of the people has come to be to vote for their masters and leave them to rule. Such a scheme of government, in the opinion of labour, is a travesty of government by the people. Labour wants government which is government by the people in name as well as in fact. Secondly, liberty as conceived by labour includes the right to equal opportunity and the duty of the State to provide the fullest facilities for growth to every individual according to his needs,

Secondly, labour wants equality. By equality labour means abolition of privileges of every kind - in law, in the civil service, in the army, in taxation, in trade and in industry; in fact, the abolition of all processes which lead to inequality. In the third place, labour wants fraternity. By fraternity it means an all-pervading sense of human brotherhood, unifying all classes and all nations, with "peace on earth and goodwill towards man" as its motto.

The New Order.- These are the ideals of the Indian worker on which he wants the New Order to be reared. As to nationalism, labour's attitude is quite clear; it is not prepared to make a fetish of nationalism. If nationalism means the worship of the ancient past - the discarding of everything that is not local in origin and colour - then labour cannot accept nationalism as its creed. Nor will it allow it to be cramped in a narrow jacket of local particularism. Labour must insist upon constantly renovating the life of the people by being ever ready to borrow in order to repair, transform and recreate the body politic. If nationalism stands in the way of this re-building and re-shaping of life, then labour must deny nationalism. Labour's creed is internationalism. Labour is interested in nationalism only because democracy - such as representative parliaments, responsible executive, constitutional conventions, etc., work better in a community united by national sentiments.

(The Indian Listener, 7-12-1942)..

Mr. Prier's Speech:- Need for Healthy Trade Unionism.- Mr. Prier, referring to the "era of true peace based on social justice" which would follow the defeat of the Nazis, stressed the need, to achieve that end, of "full and free contact between Government, employer and labour, steady production and fair conditions of work for all. Such collaboration which is the very antithesis of the Fascist creed involves free contacts, consultations and discussions between the employer and the employee, which are essential to industrial progress. From such contacts follow naturally collective bargaining and consultation between organised bodies of employers and employed. To secure such consultation, it is necessary that labour should develop a sound trade union movement. India's trade union movement is not yet strong and many trade unions that exist are not affiliated to the main All-India Association, but Government recognised that the development of sound trade unionism would result in speedy settlement of disputes between employer and employee - which is the ideal of trade unionism".

Government's Policy towards Labour.- Mr. Prier said that the Central Government was fully committed in its policy to encourage such a movement, the aftermath of which would be continued production and fair conditions of work for all. Besides central guidance and central legislation in the matter of labour problems and disputes of an India-wide importance which provincial Labour Commissioners cannot adequately deal with, the Central Government has already adopted two methods of securing further contacts to get the earliest information and the best advice to help them in dealing with such problems. The first of these methods is the appointment of Labour Welfare Officers - Mr. Finckler and his assistants - to explain to labour and to employers what Government is doing, and to bring to the notice of the Government what employers and labour are thinking.

The second method which the Central Government has adopted for maintaining the closest contact with labour problems is the recent establishment of the Tripartite Plenary Conference and the Standing Labour Committee following closely the lines of the International Labour Organisation at Geneva. The Tripartite Plenary Conference is a purely advisory body composed of representatives from Provinces, States, employers and employees with a smaller body, the Standing Labour Committee, having a similar tripartite composition. Its representatives, following in many ways the Geneva precedent, will sit round one table and consider all matters concerning labour of all-India importance. At its deliberations labour will be able, through its approved representatives, to bring its point of view prominently to the notice of Governments (whether Central, Provincial or States) and of employers in connection with the various problems of labour conditions in wartime.

War Production and Industrial Disputes.- War industry means a large increase in industrial output, and it is certain, where such an increase occurs, some adjustments in conditions, some disputes and some cause of friction between labour and employer must inevitably occur. To ensure steady production such disputes should be settled without resort to direct action, which in many cases entail unnecessary loss of wages to labour. The procedure which Government has laid down provides: (1) A period of notice within which discussion and conciliation can take place; and (2) a definite formulation of grievances and time-limits within which the Government can consider the advisability or otherwise of referring those grievances to adjudication.

Conditions of Work in War Production.- The maintenance of war production necessitates exemptions from certain provisions of the factory laws, or some restrictions on movements of labour, but the Government must be sure that such exemptions and restrictions do not impose undue hardship on labour.

In wartime there is industrial expansion followed by an increased demand for an unexpanding supply of consumption goods, and it is the duty of the Government to protect the lowest category of wage-earners, as far as possible, against any lowering of ~~the~~ <sup>their</sup> standard of living. This means "dearness allowance" and at the 1st meeting of the Standing Labour Committee frequent reference was made to the advisability of arriving at some measure of uniformity in "dearness allowance" policy.

**Food Supply.**— For an adequate food supply to workers, employers' associations have opened fair price grain shops and Government and employers are doing their best to secure stocks of grain for these shops and where it proves impossible, Provincial Governments have been asked to do what they can to help.

**A.R.P. in Factories.**— Some two years ago, Government recognised its responsibility for seeing that under war conditions workers in factories were adequately protected from the risks of air raids and has provided a team of experts to ensure that adequate protection designed on the latest approved lines is available for all.

**Labour Legislation.**— Some changes in the peace-time labour code are engaging the attention of the Government; the most important of these is a scheme of sickness insurance. A proposal to introduce legislation to provide for some holidays with pay to labour is under examination and "it is in matters such as these that the collaborative machinery now set up will enable the Government in the Labour Department to achieve more rapid progress."

**M.B.** In the course of the radio talk, Mr. Prior also read out the message of greetings sent by cable by the Acting Director of the I.L.O., Montreal, on the inauguration of the Tripartite Conference and Committee.

(summarised from the text of Mr. Prior's speech supplied to this Office and Bulletin issued by the Indian Central Jute Committee, Calcutta, December, 1942). +

Second Session of the Tripartite Standing Labour Committee,  
New Delhi, 28-3-1943: Distribution of Food Supplies to Labour  
during War Period Discussed.

The methods by which industrial workers can be assured adequate supplies of essential food commodities - wheat, rice and sugar - were discussed at a meeting of the Standing Tripartite Labour Committee held in New Delhi on 28-3-1943. The committee considered what agency should be employed for food distribution - employers' grain shops, Government grain shops or ordinary retailers - and what arrangements should be made for ensuring supplies to them, how prices should be fixed by employers' grain shops and whether any allowance should be made for the benefits obtained by workers from such shops in fixing dearness allowance. The basis on which rations for workers and their families should be calculated and the possibility of a census of workers and their dependents to ensure adequate rations for families; the eligibility of workers for rations and the making of provision for those absent from work owing to sickness; the best form of grain shop, methods of supervision, checks on impersonation and other administrative difficulties, were also considered.

Decisions of the Committee: Distribution of Food Supplies.- The following resolution was adopted by the Committee on the subject of distribution of food supplies: (1) In order to relieve the strain on and overcrowding in Government grain shops, distribution should be through employers' grain shops in the case of factories employing more than 50 workers and there should be an adequate number of shops. (2) It is considered desirable that employers should associate members of recognised trade unions or other representatives of employees in the working of such shops. (3) Such shops will be open to inspection by a Government agency. (4) Supplies should be made available to employees by a provincial agency, (i) through large associations, when existent, for their shops within the province, and (ii) direct to factories when factories are not members of such associations. (4) Employers' shops should sell whatever commodities appear necessary and in any case more items than rice, sugar and wheat. (6) Co-operative grains shops of industrial labour should be encouraged and they should be supplied in a manner similar to that in which employers' shops are supplied in the various places. In the discussion, emphasis was on the distribution aspect, and not on the ensurance of supplies as this was outside the scope of the meeting.

Joint Adjudication of Industrial Disputes.- A further proposal, discussed at the meeting and approved in principle aims at reducing industrial disputes by joint adjudications. Under this, where an adjudication relates to an industrial dispute likely to affect industrial concerns or industrial labour not directly involved, Government would be empowered to add other parties to the adjudication proceedings.

The Labour Member, Mr. B.R. Ambedkar, presided, and delegates from provinces and States, and representatives of employers and workers all over India attended. Sir Shri Ram, Sir Frederick Stones, Mr. Bamanlal Lallubhai and Mr. Burdor represented the employers. Messrs. Jammadas Mehta, R.A. N Khedgikar, V.B. Karnik, Bunkim Mukerjee and R.R. Bhole were the workers' delegates.

(The Statesman, 7-1-1943 and  
Hindustan Times, 26-1-1943). +

#### Labour Legislation Programme of the Government of India in Budget Session.

According to the Special Correspondent of the Times of India in New Delhi two Bills dealing with labour problems are expected to be introduced in the Budget session of the Central Legislature which begins on 10-2-1943.

Holidays with Pay.- The Factories Act is to be amended to ensure 15 days' holidays with full pay to labourers every year. It is argued that the calendar holidays keep the labourers engaged in celebrations and do not provide total rest. The proposed holiday will, however, be governed by conditions against abuse of the right through temporary employment during the holiday.

Compensation for War Injuries.- Another Bill relates to war injuries insurance. It is stated that the existing ordinance is not liberal and that the Indian law should be modelled on the provisions in the English Act. The Labour Member has preferred to have the proposed changes enacted by the Legislature rather than by ordinance.

Improvement of Conditions in Plantations.- It is gathered that when the Tea Cess Act comes up for extension during the forthcoming legislative session, the Labour Member will make a statement promising separate

legislation to improve labour conditions in the tea plantations. It is proposed to have a wages board to determine the minimum wage for labourers employed by tea planters. It is also desired to extend to the tea plantations the provisions of the Wages Payment Act and certain sections of the Factories Act, such as those relating to sanitary conditions. Expert investigation of labour conditions on the tea estates will be undertaken to gather data for legislative enactment.

Sickness Insurance and Amendment of Trade Disputes Act.- The programme relating to legislation on sickness insurance has been delayed. Mr. Gadgil, who was selected for expert examination of the scheme, has been unable to take up the work and the special inquiry has been now entrusted to Professor Adarkar of the Allahabad University. The proposed revision of the Trade Disputes Act is also being deferred to a later session of the Legislature.

(The Times of India, 2-2-1943.) +

## CONDITIONS OF WORK.

### Forced Labour.

#### Forced Labour and Services in Jodhpur State: Various Cesses Abolished.

In June 1941 the Government of Jodhpur State had appointed a Central Lag Bag (Cesses and Open lands) Committee to inquire as to which cesses realised by the Jagirdars (Landholding nobles) of the State have been declared illegal by the Jodhpur Government on the executive side or under decisions of Government Courts and to report on the propriety of prohibiting their imposition by the Jagirdars. H.H. the Maharaja of Jodhpur in Council has accepted the recommendations made by the Committee in respect to the following cesses:

The kharkhar lag which required the cultivators to render free labour to their Jagirdars in sowing and reaping 'moth' crop and cutting grass in thikanas (territory or estate of a noble) by providing one plough and one man per house for a few days a year has been abolished, but the thikana has been allowed to take the services of plough, transport, labour, etc., on payment at rates prescribed in the Marwar Supplies Transport and Labour Rules.

The kansa lag imposed on the people the obligation to supply cooked food to Jagirdars on marriage occasions. This lag has been abolished and it has been ordered that the privileges enjoyed by the villagers in return also will be discontinued.

The shakrana lag levied for opening of windows, sky-lights, etc., has been abolished, but the permission of the thikana would be necessary where doors, windows, or skylights open on the Jagirdar's land or affect his rights in any way. The order says that ordinarily permission to open windows, doors, etc., on public thoroughfares should not be refused, and if refused, on any specific grounds, the matter should be reported to the Government with reasons for such refusal.

The lhas lag which meant rendering of service collectively for cutting grass, reaping 'moth' crop, embanking fields, fetching building materials, etc., for the thikana, has been abolished, but the thikana may take these services, provided the persons engaged are paid their full wages according to the rates prescribed in the Marwar Supplies, Transport and Labour Rules.

The mapa lag, that is, tax levied on sales of goods within the Jagir (territory or estate of a noble) limits, may be levied by the Jagirdars on sales of goods effected within the Jagir limits. The imposition by Jagirdars of any tax which corresponds to the customs duty realised by the State, on either import or export, has been prohibited.

The present order abolishing the various lags or cesses is tentative until an equitable adjustment of taxation and cognate matters in Jagir areas is arrived at by the new Jagir Land Revenue and Bag Enquiry Committee appointed in December 1942.

["Federal India and Indian States",  
dated 6-1-1943). +

General.

1 Labour in Assam:  
Amalgamates Legislation to Improve Conditions.

Delhi correspondent of the Hindu, Madras, it is  
sent of India has under consideration amendment  
which is due to expire in March 1943, for the  
living and working conditions for labour.

(The Hindu, 7-1-1943). +

Dispute in Bombay Oil-Workers' Disputes:  
Benefits and Gratuity Scheme to be Instituted.

Page 9 of our October 1942 report to the award  
of the award is published at pages 3709-3719 of  
Part I, dated 22-10-1942) in the disputes  
managements of the Standard Vacuum Oil Company,  
Ltd., Bombay. At the Adjudicator's request,  
by the Government of Bombay for further  
with particular reference to the issues relating  
and (b) the gratuity, pension and death benefit  
heard on 7-12-1942; the workers were represented  
Workers' Union, and the final award was given on  
which is that the Standard Vacuum Oil Co., and  
institute Pension, Death Benefit and Gratuity  
of hours, it was stipulated that the one month's  
and as follows by both Companies: "one-twelfth of  
(long dearness allowance) received by each workman  
or ending 31st December 1941, should be paid to  
fully in employment on the 14th July 1942, the date  
was given in this dispute." (Full texts of the  
Government's Order thereon are published at  
Bombay Government Gazette, Part I, dated 21-1-1943). +

### ECONOMIC CONDITIONS

6th Session of Indian Statistical Conference, 4-1-1943. +

The 6th Session of the Indian Statistical Conference was held at Calcutta on 4-1-1943 under the presidency of Mr. N. R. Sarker, Member in Charge, Commerce Department, Government of India. The proceedings were formally opened by Dr. B. C. Roy, Vice-Chancellor of the Calcutta University.

Presidential Address. In the course of his presidential address, Mr. Sarker explained the reasons for India's backwardness in statistical services. He said: "Our problems are peculiar and often much more complicated. The vastness of the country is in itself a great handicap. The illiteracy and ignorance of the people and their failure to understand the utility of statistical inquiries combine to render the task of the statistician much more difficult and expensive. There can, however, be little doubt that, unless we make rapid headway in making good the present deficiencies with regard to our statistical information, we shall have to fumble for sound social and economic policies in many spheres and the pace of our national progress will be adversely affected." He stressed the urgent need for organising an efficient statistical service, as without it, India will experience great difficulty in initiating sound social and economic policies and thereby the pace of the country's national progress will be adversely affected. He said: "The need for statistical research will be even greater after the cessation of the present war. Post-war reconstruction is a problem very much in the forefront. The termination of hostilities will bring in its wake a host of new problems, which could be effectively tackled only if one carefully builds up the statistical background of each specific question. Moreover there is now much greater general awareness of the economic and social needs of the country. There is more anxiety than ever before in the country to undertake the great works of development in various fields so that the country's resources may be better and more fully utilised and production of wealth may increase to a much higher level, thus ensuring a progressively higher standard of living. Absence of political freedom has so far hampered nation-building activities but one can see sure signs of a great improvement in India's political status which would leave the people free to mould their own economic destiny after the war. If the work of development is to proceed along rational lines, the people must have a well-thought-out plan in advance and for this a vast amount of statistical information on many aspects of socio-economic life would be an essential pre-requisite. Statistics constitute the very foundation of planning".

Reviewing the work already undertaken by the Indian Statistical Institute, Calcutta, he said that it had undertaken with great success a large number of enquiries on behalf of the Government of India, as well as for various provincial governments, such as the enquiries into the production of important food crops like paddy and wheat and cash crops like jute and sugarcane. It has also dealt with problems of flood control and irrigation, tackled questions relating to anti-malaria measures, nutrition programmes, development of forests, and increased production of cinchona. This was not an exhaustive list of the subjects investigated by the Institute, but it showed the growing recognition of the importance of statistical science in India.

(The Amrita Bazar Patrika, 7-1-1943). +



Indians Mining Industries:  
Dr. Dunn suggests Nationalisation

Dr. J. A. Dunn, Superintending Geologist, Geological Survey of India, presiding over the annual general meeting of the Mining, Geological and Metallurgical Institute of India on 15-1-1943 declared that nationalisation of the mineral industry appeared to be inevitable sooner or later. He reminded those who might be critical of State management in this industry, that it could not always be in the interests of the State to make a profit; a mineral deposit worked at a loss might be responsible for the development of other important dependent industries and for the employment of a vast number of people. Dr. Dunn added that beyond nationalisation, there was the further goal of Internationalisation. Problems of mineral raw materials would be discussed at the eventual Peace Conference when India's view point must be adequately represented. Discussing the effects of taxation and tariffs on the Indian mineral industry, Dr. Dunn observed that tariff protection had given powerful stimulus to some Indian mineral industries, but it might be contended that subsidies might provide a more suitable support.

Further reconstruction of Government's organisation, according to Dr. Dunn, should have as its basic principle the grouping of all phases of mineral development in India ultimately under a single portfolio of a Member for Geology and Mines. The departments under the administrative control of this ministry would be the Geological Survey, the Mining Department, and the Department of Inspection. The ~~Geological Survey~~ under a Director-General, would be divided into four specialised branches each under a Director: the Geological Maps branch, the Mining Geology and Prospecting branch, the Agricultural Geology and Soil Conservation branch and the engineering geology and water supply branch.

Dr. Dunn discussed certain developments in the present system of company management. He made the plea that mine proprietors should give their technical staffs a fuller measure of control, and give the latter a far-sighted policies such financial backing as was within their means. On the board of Directors of mining concerns there should be a considerable sprinkling of mining engineers of experience. Co-operation between companies in mining, treatment and marketing was desirable. In marketing some form of mineral and metal exchange under the Government control would be invaluable under the marketing section of the Mines Department.

(The Amrita Bazar Patrika, 17-1-1943.)

Industrial Effort in Mysore State:  
Decisions of Board of Industries and Commerce of the State.

The question of starting a plastics industry in Mysore State was discussed in January 1943 by the Board of Industries and Commerce. An ad hoc committee was appointed to go into the details and submit a definite scheme to the Government. The need for improving the position of the handloom weavers in the State was also considered, in this connection the Board had, it is understood the advice of Rao Bahadur K. S. Rao, Textile Expert to the Government of Bihar, who was present at the meeting at the invitation of the Government. It was suggested that the existing competition could be mitigated by linking handlooms with the spinning and finishing mills, which would be,

which would result in a combination of the economies of large-scale machine production with the economies of a cottage industry. The Board considered this suggestion well worth a trial and directed the Director of Industries and Commerce to go into the question of bringing about such co-ordination.

The Board also recommended the adoption of a more liberal scheme in the State for granting financial aid to educated unemployed to start industries or develop and expand existing ones, and also favoured the appointment of a committee of inquiry to review the industrial progress made in the State during the last 10 years and make concrete suggestions for post-war development.

(The Hindustan Times, 18-1-1943.)

Working Class Cost of Living Index Numbers for  
Various Centres in India during August and September, 1942.

The index numbers of the cost of living for working classes in various centres of India registered the following changes during August and September, 1942, as compared with the preceding month:

Name of Centre	Base = 100	July 1942	Aug. 1942	Sept 42.
Bombay	Year ending June 1934	168	168	170
Ahmedabad	Year ending July 1927	117	123	117
Sholapur	Year ending January 1928	112	115	118
Nagpur	August 1939	181	183	183
Ludhiana	1931-1935	219		
Cawnpore	August 1939	190	208	208
Patna	Average cost of living for five years preceding 1914	131	208	204
Jamshedpur	Ditto	203	228	230
Baria	Ditto	206	234	255
Madras	Year ending June 1936	133	137	146
Madura	Ditto	139	139	148
Coimbatore	Ditto	140	141	145

(Monthly Survey of Business Conditions  
in India for September 1942.)

Provident Fund for Industrial Workers:  
Views of the Bengal Chamber of Commerce.

At pages 12 to 13 of our June, 1942, report reference was made to certain recommendations issued by the Government of India to industrial interests in the country for encouraging the institution of provident fund schemes where these suit particular concerns. Invited to express its views on the recommendations of the Government of India, the Bengal Chamber of Commerce in a letter addressed to the Government of Bengal, expresses the following opinions:

While appreciating the move on the part of the Government for the institution of provident funds and accepting the suggestions issued in this connection, the Chamber considers that the whole problem of providing for the old age and invalidity of industrial workers is one which will ultimately call for legislation of a more comprehensive and fundamental character than that envisaged in Government's proposals. The Chamber feels, as did the Royal Commission on Labour over 10 years ago, that the state should take as much interest, and share as much responsibility as the employer and employee. According to the Chamber, the problem is too vast and complex to be tackled in a piece-meal manner. Nor is it a problem upon which legislation can be restricted or rushed. It calls for a comprehensive co-ordinated scheme based upon a full enquiry into the facts and requirements of the actual situation and an enquiry which will investigate the merits and demerits of different schemes, whether of a provident fund, gratuity or pensionary nature, and which will have to envisage the co-ordination and integration of legislation covering eventually all types of social risks, if the serious economic consequences of divergent labour standards are to be avoided. The unity of social risks such as incapacity for work, unemployment, loss of bread-winner and sickness has constantly been emphasised in all specialist studies and reports on the subject of social insurance schemes. The latter, far from sinking into insignificance in Great Britain, have come more than ever to the fore-front because of the need for the adaptation of them to war conditions which have intensified the physical and economic risks to which workers are exposed. Only through such an enquiry can there be brought to light the reasons for the hesitancy of certain workers to participate in schemes afforded to them by certain employers, though enquiry among jute mill workers, on a limited scale, indicated no objection to their making contributions to a scheme for pensions and/or gratuity payments if these are freed from the control of employers.

In broaching the matter to employing interests, the Chamber has come to learn that employers are not all generally agreed on the efficacy of provident fund schemes, while there is considerable variance in the practice which prevails in different industries. The Tea and Mining Industries consider Government's proposals for provident funds hardly applicable to the agricultural and migrant types of labour they employ. Some employers, in other industries, think that, at the present juncture, provident funds instead of strengthening the bonds between employers and workers and making the labour force more contented and stable, have the opposite effect. They cite the case of the Calcutta Tramway trouble of 1942 as an illustration of this point. There have been many cases, they state, of workers besieging employers with requests for the payment of

considerable sums representing workers' contributions, so that if the facility were generally granted, the position of many provident funds would be seriously impaired, while a source of trouble between employers and employees would also be created. On the other hand, several commercial and industrial concerns have instituted or are willing to institute provident funds. In place of provident funds, a few employers recommend either a gratuity scheme - which averts demands made under threat of a strike - or an employee's contributory scheme. The Indian Jute Mills Association have under consideration at present, a scheme for a deferred war bonus or pension fund to which both employers and employees are to contribute, and to which, it hopes the State will not only contribute, but will undertake the administration too. The Chamber points out that precedents for contributions from the public authorities are almost universal and that most Governments when replying to the questionnaire issued on the subject by the I.L.O. in 1932, expressed agreement with the principle of State participation, while the management of insurance funds has been entrusted either to institutions founded by the public authorities or to institutions founded on the initiative of the parties concerned.

The reply of the Chamber concludes: "These various considerations make it evident that the mere recommendation of provident fund schemes, such as is under contemplation by Government is a step which will serve no particular purpose, for it will take no further a subject which, as the Royal Commission on Labour foresaw, needs to be both comprehensively and consistently tackled, nor will it succeed in establishing that degree of uniformity, consistency and co-ordination which the industrial situation in India, rural as well as urban, demands."

( Excerpts from the Abstract of Proceedings for the months of September, October and November, 1942, issued by the Bengal Chamber of Commerce. )

MIGRATIONIndian Labour for Ceylon Rubber Estates :  
Progress of Negotiations with Government of India. .

Reference was made at page 21 of our December 1942 report to the request of the Ceylon Government for 30,000 Indian workers for work in the rubber estates of Ceylon. The Ceylon Planters' Association has, for some time, been urging on the Ceylon Government the urgent necessity to obtain more immigrant labour not only to increase the output of rubber but also to replace those labourers who, taking advantage of the recent relaxation by the Government of India of Emigration rules permitting them to return to Ceylon after visiting their homes in India, are expected to go back to India. The despatch of labourers from India before a satisfactory settlement is reached about the treatment of Indians in Ceylon, has been vehemently opposed in India by the press and interested parties and organisations. Sir Baron Jayatilaka, the Ceylon Government Representative in India, met Mr. M. S. Aney, Member in charge of the Overseas Department, Government of India, on 12-1-1943 in this connection. It is understood that Mr. Aney apprised Sir Baron of the reactions of the Indian public to the request and explained the various aspects of the problem of the post-war status of Indians in Ceylon. The question was considered by the Standing Emigration Committee of the Central Legislature on 25-1-1943. The decision of the Government of India on the request of the Ceylon Government has not yet been announced.

(The Hindu, 1-1-1943, and the  
Statesman 13-1-1943.) +

Indian Emigrants Abroad:  
Review of Developments during 1941-42.\*

The annual review of important events affecting Indians in different parts of the British Empire during the period 1-4-1942 to 31-3-1942 has recently been published by the Government of India; below are given brief notes on the more important of these events.

**A:South Africa: (1) Asiatic Penetration-Broome Commission.** The Asiatics (Transvaal Land and Trading) Act, 1939, has been extended for a further period of two years, i.e., until 1-5-1943. The Act seeks to peg the position in regard to Asiatic occupation and trading in the Transvaal. Its administration has given rise to a certain amount of friction since in a few cases the Act has been used to remove Indians from sites which they have occupied or traded upon a number of years. Representations made by local Indian bodies against the decisions taken have, in some instances, been successful. Mention was made in last year's review (vide pages 31 to 33 of our November 1941 report) of the appointment by the Union Government in May 1940 of a judicial Commission with Justice F.N. Broome as Chairman to ascertain whether and, if so, to what extent Asiatic penetration of ~~predominantly European~~ areas both in regard to property and trading rights had taken place in Natal and Transvaal. The report of the Commission was published shortly after the close of the period under review. The two main findings of the Commission, whose enquiry related to Indians only, are that in the Transvaal, the extent of penetration since 1927 does not appear to be alarming or even surprising and in Natal the extent of penetration into European areas is little more than a trickle.

**(2) The Feetham Resolutions.** As far back as in September 1938, The Minister of the Interior introduced in the House of Assembly a resolution to give effect to the recommendations of the Feetham Commission regarding the areas in Johannesburg and its surroundings to be set aside for the use and occupation of Asiatics. Action was, however, postponed and the Anti-Asiatic campaign of December 1938, which resulted in the passing of the Asiatics (Transvaal Land and Trading) Act, 1939, compelled the Union Government to defer introduction of the resolution until such time as they had formulated their final proposals on the question of racial segregation. The importance of implementing the recommendations of the Feetham Commission was brought to the notice of the Union Government and there were indications that the necessary resolution would be passed by the Union Parliament in 1941-42. On 31-3-1941, the Prime Minister succeeded in persuading the United Party ~~causes~~ to adopt the Feetham Resolutions. After an interesting debate the resolutions were adopted by 61 votes to 40 and later passed through the Senate without debate.

**(3) Motor Carrier Transportation (Amendment) Act.** This Act affected two classes of business in which Natal Indians had established something of a monopoly. These are (1) the provision of long distance taxis prepared to go anywhere in Natal or even further afield at short notice and (2) the private bus services in Durban catering for the city's non-European population. One of its main objects was to prevent Indian and Native taxis in Natal running to a schedule and competing with buses.

**(4) Labour Legislation.** Two important measures were adopted from which Indians will benefit along with other classes; these are the

Workmen's Compensation Act and the Railway and Harbours Pensions (Amendment) Act. The former provides for the transfer of workmen's compensation from ~~Review of important events relating to or affecting Indians in different parts of the British Empire during the year 1941-42~~ (Department of Indians Overseas, Government of India). pp. 24. the Insurance Companies to a State Fund, and the latter, annuities and gratuities for casual labourers and temporary employees of the Railway Administration who do not contribute to a pension scheme.

(5) Enquiry into Trade Licences in Natal.— The appointment by the Administrator of Natal of a Committee to enquire into and report upon all aspects and conditions of rural trade, storekeeping, and the licensing thereof in Natal and Zululand caused some anxiety to the Natal Indian Association who feared that the enquiry might develop into another anti-Indian campaign. An assurance was, however, given by the Chairman that the Association's fears were groundless and that the Committee intended to investigate without any racial distinction the whole question of trade licences in Natal.

(6) Enquiry into Conditions in South African Sugar Industry.— As the result of representations made by the Natal Indian Cane-growers Association, the Minister of Commerce and Industries directed the Board of Trade and Industries to investigate the position of the non-Europeans in the South African Sugar Industry.

Burma: (1) Immigration into Burma.— In last year's review it was mentioned that the Indian community in Burma continued to suffer from the after-effects of the Indo-Burman riots of 1938 and the Hindu-Muslim riots of January-February, 1939. In discussing in its interim report some of the underlying causes of the disturbances which occurred in 1938, the Riot Enquiry Committee made special mention of widespread uneasiness about Indian penetration into Burma. That Committee believed and hoped that an authoritative statement of the facts would go far to remove the dangers of anti-Indian feeling and anti-Indian propaganda. To ascertain the actual facts with regard to the alleged penetration of Indian labour into Burma, the Government of Burma appointed in June 1939 a Commission, with the Hon'ble Mr. J. Baxter as Commissioner and U. Tin Tut and Mr. Ratilal Desai as Assessors, to enquire into the facts concerning Indian immigration into Burma. The problems relating to the immigration of Indians into Burma began to engage the attention of the Government of Burma and the Government of India more and more. At the end of May, 1941, it was considered that a stage had been reached when personal discussion offered a reasonable prospect of success. The Government of India despatched in June 1941 a delegation to Burma to arrive at a settlement. The negotiations resulted in the initialling of a Draft Agreement which was subsequently accepted by the two Governments without material alteration and published on the 22nd July, 1941, together with a joint statement by the two Governments. The Baxter report was also published on the same date. (For details of the agreement, and the Baxter Commission's recommendations, vide pages 21 to 26 of our July 1941 report.) The opposition both in India and in Burma led to protracted negotiations between the two Governments. The negotiations could not be concluded as the development of the military campaign following the Japanese invasion of Burma rendered further consideration impossible.

(2) Evacuation of Indians.— Following the heavy air raids on Rangoon in December 1941, a large exodus of the local Indian population set in. In the evacuation by sea, attention was first directed to ~~arrangements~~

arranging for the return to India of women, children and sick and elderly persons. The evacuation of the entire Indian population, estimated at over 1 million, was obviously impossible, but the numbers evacuated up to 1-9-1942, by all routes, have been estimated at some 500,000 or just less than 50 percent of the Indian population in Burma. A separate report on the evacuation of Burma is being prepared, but the following brief summary is of interest. Evacuation was carried out by sea, by air and by land. Before the fall of Rangoon, between 75 and 80 thousand Indians were transported by sea to India. In spite of the limitation imposed by the shortage of shipping, every available ship including military transport was being utilized.

Evacuation by air was organised entirely by the Government of Burma. The Government of India helped in chartering some aircraft and urged that the facilities should be available to Indians and Europeans alike. Of some 11,000 evacuated by air, the number of Indians was 4,025. Evacuation by land was the most important. The first land route which leads into Bengal through Chittagong is partly by land and partly by sea. Refugees using this route had to cross the hills between Prome and the Arakan coast and reach Chittagong either by land on foot or by sea. This involved a trek by land of nearly 100 miles through mountains and jungle where water and food are scarce. The inaccessibility of this area to motor transport and the want of sufficient time for the necessary preparations made this route particularly difficult to organise. A medical party was despatched from Madras to Taungup. Sea transport was provided to clear the arrivals at Akyab, Kyaukpadaung and Taungup. It is estimated that some 200,000 including those from the Arakan came into Chittagong by this route. The development of the second route or rather series of routes on the Assam border, the setting up and the staffing of camps and the organisation of necessary transport and porters were mainly the result of the Refugee Organisation brought into being early in March, 1942, by Major General Wood who was appointed Administrator General, Eastern Frontier Communications. On the Burma side, the arrangements were undertaken by the Government of Burma. Tamu on the Assam-Burma border is the focal point for the routes along the Chindwin valley. From Tamu to Palel refugees had mainly to do on foot the hill journey covering some 36 miles. A slightly longer path through Mintha, Heirok and Wangjing was also opened to take the inflow of the very large number of refugees. From Palel and Wangjing to Imphal and Imphal to Dimapur (133 miles) lorries and buses were used, the journey beyond Dimapur being by railway. The total number of refugees by these and other land routes leading into Assam up to 1-9-1942 was about 220,000.

C. Ceylon (1) Cost of Living and Wages.— There was a general rise in commodity prices following the outbreak of war and a corresponding increase in the cost of living of the Indian labourers. Revised rates of minimum wages, which meant a 10 per cent. increase over those prevailing previously, were brought into force with effect from 1-2-1941. The Special Officer appointed to conduct an enquiry into the family budgets of Indian estate labourers completed his investigations and submitted a report which was published on 8-10-1941. The figures adopted in the Report were based on the prices prevailing in April-May 1940 and were generally low in many respects. A sub-committee of the Board of Indian Immigrant Labour was appointed soon after the publication of the Report to consider the question of fixing a basic wage for Indian labourers and of granting a "dearness allowance" to meet the increased cost of living. As a result of the deliberations and recommendations of the sub-committee, the basic minimum wage was increased, but the increase was not given effect to until the end of the year. A scheme for the grant



of dearness allowance based on the cost of living index prepared by the Labour Department was also approved and was brought into force with effect from March 1941. The rate of the allowance granted in March was 13 cents for an adult labourer and 8 Cents for a child for each working day.

(2) Wages Boards Ordinance.- The draft Ordinance to regulate the wages and conditions of employment of persons engaged in various occupations, including estate labour, which was first published by the Government of Ceylon in March 1940 was finally passed on 8-7-1941 and was brought into force with effect from 19-9-1941. All the suggestions made by the Government of India were accepted and incorporated in the Ordinance.

(3) Strike in Colombo Harbour.- The ban on emigration to Ceylon made itself felt in Colombo harbour where there was a shortage of labour for loading and unloading cargo and local labour proved insufficient. The labourers whose earnings had been considerably reduced due to irregular intervals at which ships arrived in the harbour owing to war conditions, struck work in July, 1941, demanding an increase of wages and certain other benefits. Almost simultaneously there was a strike in the granaries in Colombo involving about 1,000 labourers. A Commission was appointed to inquire into the grievances of the labourers. The recommendations of the Commission for payment of higher rates of wages to almost all classes of workers in the Colombo harbour were given effect to soon after. The inconvenience caused by the sudden cessation of work at the harbour necessitated the issue of a set of Regulations, under the emergency powers of His Excellency the Governor, with a view to securing that a sufficient supply of labour was available in undertakings engaged in "essential work" and prohibiting absence of workers in such undertakings without reasonable cause.

(4) Labour Conditions on Estates.- The ban on the emigration of unskilled labour imposed by the Government of India tended to "freeze" the labour force on estates as labourers were deterred from coming to India on their usual visits for fear that their return to Ceylon would be prevented by the operation of the ban. At the beginning of the period under review the labour force on estates was, if anything, more than adequate for the needs of the tea and rubber industries. Some estates discharged large gangs of labourers who were considered surplus to requirements, while in other cases Superintendents did not hesitate to discharge labourers whom they considered to be unsatisfactory. This led to much discontent and the outbreak of strikes. Towards the close of the year under review, the general position with regard to labour on estates improved as the tea and rubber industries continued to be prosperous and an increase in the export quotas for these commodities gave a fillip to production with the result that it was possible for surplus labour to be absorbed and work was generally easier to find.

A new Maternity Benefits Ordinance was brought into operation with effect from the 28th July, 1941. Maternity benefits are payable to a woman worker at the rate of 50 cents a day for two weeks before and for four weeks after confinement, but there is a proviso authorising the Controller of Labour to exempt an employer from liability to pay if he is satisfied that the employer has provided for female labourers resident on estates such alternative benefits as regulations in this regard prescribe.

(5) Indo-Ceylon Relations.- Reference was made in this office's

November and December 1940 reports to the failure of the Indo-Ceylon Exploratory Conference to settle outstanding problems between the two countries. This was followed in Ceylon with a fresh burst of anti-Indian feeling. Two Bills were introduced, one to restrict immigration into Ceylon and the other for the registration of non-Ceylonese resident in Ceylon, both of which aroused considerable anxiety in the minds of the Indian community. The Governor, however, disapproved of these discriminatory measures, when the wave of anti-Indian feeling quietened towards the middle of 1941, negotiations were resumed and an Indian Delegation was sent to Ceylon in September 1941. The resulting agreement is still under consideration of both Governments. Non-Official opinion in India vehemently criticised the agreement as unjust to Indians in Ceylon.

*See below*

(6) Immigration and Registration Bills. - Two bills, one to make provision for the regulation and control of the entry of non-Ceylonese into Ceylon, and the other to provide for the registration of persons in Ceylon who do not possess a Ceylon domicile of origin were introduced in the State Council on 4-3-1941. The two bills passed their first reading on the same day and on the following day copies were sent to the Government of India. When communicating their views on the proposed measures, certain objections of principle and stressed the desirability of maintaining friendly relations between the two countries at a time when the Empire was engaged in a struggle for its very existence. The Bills were, however, pushed through. They passed their second reading in the state Council on the 26th and 27th March, respectively and were referred to Standing Committee. Both measures were still under consideration at the close of the period under review.

Di Malaya: (1) Wages and Increased Cost of living. - Employers of Indian estate labour in Malaya voluntarily raised the wages of Indian labourers to 50 cents a day for men and 40 cents a day for women with effect from 1-10-1939, i.e., shortly after the outbreak of war when there was an increase in the production quota and the price of rubber. Indian estate labourers were also granted, in consideration of the increased cost of living, a temporary cost of living allowance called 'tactical allowance' of 5 cents a day with effect from 1-1-1941, which was subsequently increased to 10 cents a day with effect from 1-4-1941. In Pahang, a further increase of 5 cents a day in the temporary allowance was granted with effect from 1-10-1941. The Malayan Governments sanctioned temporary cost of living allowances also for low paid employees in Government departments and public bodies. The scale of these allowances varied from month to month in accordance with the rise in the cost of living and rose, in respect of employees in receipt of less than ~~Rs 1~~ \$ 1 a day, from \$ 2.95 per month in April 1941 to \$ 5.75 in December 1941.

(2) Labour Unrest. - There were several strikes in the Klang District in the beginning of 1941, the reason being that estate labourers demanded higher wages due to increased cost of living and to the fact that Chinese labourers had been granted an increase in wages. As a result, however, of negotiations between the Central Indian Association of Malaya and the United Planting Association, an agreement was brought about and the trouble subsided. In May 1941, however, fresh labour disturbances occurred and these were believed to have been precipitated by the arrest, under the Emergency Regulations, of the President of the Klang District Union. These troubles led to stern measures, including firing by the military on the Indian workers.

*\* The Government of India made no detailed comment. They, however, reiterated*

In July 1941, Major G. St. John Orde Browne, Labour Adviser to the Colonial Office, arrived in Malaya to investigate and report upon local labour conditions. The Agent of the Government of India had an interview with him and also submitted a written memorandum dealing with Indian labour problems.

(3) Japanese Attack and Indians in Malaya.— It is certain that a number of Indians lost their lives due to air bombing by the enemy, but no reliable estimate of the number of casualties or of those killed could be obtained due to the suddenness and the rapidity with which the military situation changed from day to day. As regards evacuation from threatened areas, only very meagre information based on press reports and stories narrated by evacuees is available. Only a very small number of Indians were evacuated.

E: East Africa.— At the instance of the Governments of the East African territories (including Nyasaland and Zanzibar) certain restrictions have been placed on the grant of passport facilities for entry into those territories. They are mainly intended to relieve those Governments of problems arising from the presence of persons who are not essential or who cannot be absorbed or whose presence might prove an unnecessary embarrassment during the present emergency. Reference was made in last year's review to the feelings of anxiety expressed by the Indian community in Tanganyika in connection with the scheme for the organisation of motor transport in the Southern Highlands Province. As it was feared that by the control proposed a large number of Indians would be eliminated from their established motor transport trade, representations were also made to the Government of India who addressed His Majesty's Government in the matter. An assurance to the effect that genuine cases of hardship arising out of the reorganisation would receive their sympathetic consideration has been received from the Government of Tanganyika.

F: Aden.— Certain restrictions have been placed by the Government of Aden on the entry of Indians into Aden. These restrictions are of general application to all British subjects and are intended purely as a temporary measure for the present emergency.

G: Fiji.— Three important Ordinances bearing on labour were passed during the period under review in Fiji. The first of these measures—The Industrial Association Ordinance (No. 18 of 1941)—provides for the formation, registration and regulation of Industrial Associations. Registration has been made compulsory and the constitution and rules of the Industrial Associations are required to conform with the requirements set out in the Ordinance. The right to form associations has been extended to peasant farmers also, who are not employees. The second—The Industrial Disputes (Conciliation and Arbitration) Ordinance (No. 19 of 1941)—provides for the investigation and settlement of industrial disputes. If machinery for settlement does not exist in any particular industry in which a dispute occurs, the Governor has power to bring the parties together or refer the matter to a Conciliation Board for settlement. But in case the conciliation methods fail or if the parties so request, the Governor in Council may require the parties to submit their dispute to a Court of Arbitration, whose decision will be binding on both the parties. The third—the Labour (Welfare) Ordinance (No. 20 of 1941)—authorizes the appointment of a Commissioner of Labour to safeguard and promote the general welfare of workmen in the Colony. He has been given certain powers of

entry and inspection necessary to enable him to carry out the duties prescribed in the Ordinance.

Education in general and Indian education in particular has made considerable progress in the last few years.

H: West Indies.— The report of the West Indies Royal Commission (1930-39) is not likely to be published before the end of the war. During the period under review, the British Government decided to re-constitute the Legislative Councils on the lines recommended by the West India Royal Commission by the withdrawal of all official members, except the Colonial Secretary, Attorney General and Treasurer. The unofficial members will now form a majority on the Councils. Representations were made by the Government of India to His Majesty's Government for the nomination of one East Indian to one of these vacancies. The franchise questions in the case of Trinidad and British Guiana were referred to local franchise Commissions, neither of which had reported by the end of the period to which this review relates.

A Labour Ordinance (No. 2 of 1942) providing for the appointment of a Commissioner of Labour, for the regulation of the relations between employers and employees and for the settlement of differences between them was passed by the Legislative Council and assented to by the Governor in January, 1942. It replaces the Apprenticeship Ordinance, 1854, the Employers and Servants Ordinance, 1853, and the Accidents Investigations Ordinance, 1900, all of which contained many out-dated provisions and attempts to bring the labour laws of the colony in line with modern conceptions of labour legislation. The Government of India were given an opportunity to comment on the provisions of the Ordinance at the Bill stage and certain modifications suggested by them have been incorporated in it.

War and Indians Abroad.— The report also contains a detailed review of measures taken to protect the interests of Indians in enemy occupied countries, to assist evacuees by monetary allowances and the provision of employment facilities, to settle claims of evacuees from Malaya, Burma, Hong Kong, etc., and to promote the education of evacuee students. (For fuller details about these activities, see section: Social Policy in War Time : Emigration).

*Review of important events relating to or affecting Indians in different parts of the British Empire during the year 1941-42. (Department of Indian Affairs, Government of India) Pp. 24.*

Control of Textile Trade in Ceylon:  
Representation of Indian Traders against  
Discrimination. \*

The Ceylon Textile Merchants Association, composed mainly of Indian traders, has sent a memorandum to the Governor and the Minister of Labour, Industry and Commerce, Ceylon, in which the Association protests against certain clauses of the proposed regulations for the control of the textile trade in Ceylon. The Association points out that ~~the~~ of the regulations empower the Textile Controller in his discretion to withhold the issue of licenses to those merchants who suspended their business shortly after the Easter air raid on Colombo in 1942, and it contends that 'this will severely affect the position of those traders, who through unprecedented circumstances, suspended their business for a short while and returned to their homes in India in accordance, as it seemed to them, with advice tendered from the highest quarters in the Island.' The Association points out that certain statements made by the Governor, the Commander-in-Chief and

other high officers led people to believe that a timely evacuation of vulnerable areas was neither discreditable nor irrational. Textile merchants did not think and could not have thought that their services were 'essential' within the meaning of the word as used by the Commander-in-Chief when he advised certain classes of people to leave the Island. The Association also points out that quite apart from this fact those merchants, who temporarily suspended business, could not possibly have done otherwise. Following statements from authoritative quarters, it was impossible to keep their staff at their employment, nor was it possible to secure suitable employees locally.

Mr. Salay Mohamed Ali Mohamed, Acting President of the Ceylon Textile Merchants' Association, who is now in India in this connection, points out in the course of a statement that the proposed action of the textile controller in Ceylon to withhold the issue of licences to those Indian traders who had temporarily closed their business after the Easter air raid in Colombo is likely to be regarded in India as a measure savouring of class legislation. The measure had come upon the Indian community in general and on members of the Textile Association, in particular, as a shock, especially as it followed swiftly after the appointment of Sir Baron Jayatilka as Ceylon's ambassador in New Delhi to secure the goodwill of India.

(The Leader, 19-1-1943.)

NAVIGATIONRules re. Grant of Certificates of Competency to  
Engineers in Merchant Navy.

In exercise of the power conferred by Section 21 of the Indian Merchant Shipping Act, 1923, the Government of India has adopted a set of rules to regulate the grant of certificates of competency to engineers (including motor engineers) in the merchant navy. Three kinds of certificates are to be granted: Certificates of Competency, First and Second Class, and Certificates of Service. The Rules lay down the qualifications required for the various grades of certificates and the nature of examinations for them.

(Notification No. 101 M. II (18)/38 dated  
2-1-1943: The Gazette of India, Part I,  
Section I, dated 2-1-1943, pages 6 to 26.)+

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTSIndian Civil Service Provident Fund Rules, 1942.

The Secretary of State for India has adopted the Indian Civil Service Provident Fund Rules, 1942 (in supersession of the Rules of 1924, 1932) which require every member of the Indian Civil Service other than a member appointed before the 1st April, 1937, to be a Judge of a High Court, to subscribe monthly to the Fund an amount, which is to be a sum of whole rupees, fixed by himself, but not less than four nor more than ~~the sum of rupees fixed by himself~~ 12½ percent. of his emoluments for the month.

(Notification No.D.13-S.D/42 dated 7-1-1943:  
The Gazette of India, Part I, Section 1,  
dated 9-1-1943, pages 50 to 52.) r

CO-OPERATION AND COTTAGE INDUSTRIESSalt Manufacture to be encouraged as Cottage Industry:  
Bengal Government's Scheme for Coastal Areas.

In order to give relief to the people in the coastal areas affected by the recent cyclone (a cyclone of great severity swept over the coastal areas of Midnapore and Twentyfour Parganas in Bengal in September 1942) and also to meet, in some measure, the present shortage of salt in the province, the Government of Bengal has undertaken a scheme for developing salt manufacture as a cottage industry in those areas.

Under the scheme, the Government has already sanctioned the establishment of seven salt warehouses-five in the coastal belt of Midnapore district and two in Diamond Harbour in 24-Parganas district. Salt will be purchased from local producers at the warehouses at a price not exceeding Rs. 2 per maund (82 lbs.) for the present, and will be sold to dealers at Rs. 2-12 per maund, including duty, the extra twelve annas covering the loss due to dryage, freight and overhead charges.

According to the scheme, an average family is expected to supplement its income by at least Rs. 5 to Rs. 10 a month by taking to salt manufacture. It may be recalled that under the Gandhi-Irwin agreement, the people in these areas can manufacture salt for local consumption, but are not permitted to export the commodity. Government now proposes to arrange for increased production and export of the surplus from these areas.

(The Hindustan Times, 14-1-1943.)



EDUCATION.Annual Meeting of Central Advisory Board of  
Education, Lucknow, 14 and 15-1-1943.  
Minimum Salary Scales for School Teachers Recommended.

The annual meeting of the Central Advisory Board of Education was held at Lucknow on 14 and 15-1-1943 under the presidentship of Sir Jogendra Singh, Member in Charge of Education, Health and Lands, Government of India. Educational authorities connected with several Provincial and States Governments, as also of several Universities attended the session.

The Board adopted the reports of the committees on recruitment, training and conditions of service of teachers and recruitment of education officers for the administration of education. These two reports, it is learnt, recommended ~~minimum national~~ far-reaching changes and if adopted will, go a long way to improve the present state of education in the country. The Board have inter alia recommended minimum national scales of salaries for teachers from the primary to the higher stage of school education.

The Board also appointed a special committee to investigate possibilities of bringing out text books in Indian languages in all subjects for high school, intermediate and university standards.

~~It is understood that the Board also discussed the questions of maintenance of discipline in schools, and colleges and students participating in politics, and approved free discussion of political subjects within the college and university precincts, but did not favour students participating in political activities of a subversive type.~~

The Board accepted <sup>the</sup> invitation of the Government of Baroda to hold the next session in 1944 in Baroda.

(The statesman, 15-1-1943, and  
The Hindu, 16-1-1943).

(For a brief report of the 1942 session of the Advisory Board of Education, vide page 43 of our January 1942 report).+

Meeting of the Inter University Board: Setting up of  
Employment Bureaus recommended.

The 18th meeting of the Inter-University Board of India held at Mysore on the 8th January 1943, adopted a resolution, among others, recommending the setting up of employment Bureaus. The resolution ~~it~~ states that "in view of the increasing unemployment among those who have received university education, the Inter-University Board recommends that each university should organise an employment bureau which shall, with the cooperation of Government departments, make constructive efforts to find suitable posts for them in the departments of Government and other agencies".

The Board also adopted several resolutions regarding recruitment from Universities to the fighting forces.

(The Hindu, 9-1-1943, and  
The Leader, 26-1-1943).+

SOCIAL POLICY IN WAR TIME.

Wages

Demand for Higher Dearness Allowance by Postal Employees.,

The All India Postal and R.M.S. Union has for some time past been making representations to the Government of India about the inadequacy of the dearness allowance granted to postal workers and ~~demanding~~ its increase. (In August 1942 the Government of India increased the rate of Dearness Allowance to Rs. 6 for postal employees drawing upto Rs. 40 and to Rs. 9 to those drawing Rs. 40 and above upto to Rs. 100.) At its meeting held on 15 and 16-11-1942, the Council of the Union adopted a resolution drawing the immediate attention of the Government of India to the inadequacy of the dearness allowance and requesting its early and equitable revision. The Union has made the following demands:-

(1) abolition of the discrimination made between employees drawing pay upto Rs. 39, and drawing Rs. 39 to Rs. 100, or between those drawing Rs. 100 and Rs. 200; (2) sanction of dearness allowance at a rate in no case less than that sanctioned by the Railways to the subordinate and inferior employees (The Railway dearness allowance rates are: Rs. 10-8 for employees drawing upto Rs. 120 in cities of more than 250,000 inhabitants, ~~Rs. 9-12~~ for those drawing upto Rs. 90 in towns of 50,000 inhabitants and Rs. 7 for those getting upto Rs. 60 in other areas -Vide pages 20-21 of our August 1942 report); (3) fixing of a standard by which there will be automatic adjustment in the rate of the dearness allowance to the ~~variations in the cost of living index figure.~~)

(Extracted from the Indian Post, January, 1943.).

Increased Dearness Allowance for Low-Paid Central Government Employees.,

According to a Notification (No. F.2(40)-W/42 dated 19-1-1943) gazetted by the Government of India, the Government has increased the rate of the dearness allowance granted in August 1942 for low-paid Central Government employees (vide page 20 of our August 1942 ~~for~~ report) ~~for~~ The increased rates in force from 1-1-1943 are as follow:-

	Emolument of Government Servant.	Rate of allowance.
Area A	Below Rs. 40 per mensem	Rs. 7 per mensem
	From Rs. 40 up to Rs. 120 per mensem.	Rs. 10 per mensem
Area B	Below Rs. 40 per mensem	Rs. 6/8 per mensem
	From Rs. 40 up to Rs. 100 Per mensem.	Rs. 9 per mensem
Area C	Below Rs. 40 per mensem	Rs. 5 per mensem
	From Rs. 40 up to Rs. 70 per mensem.	Rs. 7/8 per mensem

(The Gazette of India, Part I, Section I,  
dated 23-1-1943, pages 111 to 112). +

### Andhra Teachers Demand Dearness Allowance.

The Andhra Provincial Elementary Teacher-Managers' Federation has, on 5-12-1942, submitted a memorandum to the Director of Public Instruction, Madras, demanding, inter alia, grant of dearness allowance to teachers. In the course of his reply, the Director stated that he was still pressing on the Government the necessity for paying a dearness allowance to teachers working in aided schools. As to an increase in the scale of grants to ~~aided~~ aided schools, the Director stated that within the last five years the Government had already raised the scale twice, and that it would be considered again in due course. The Director pleaded inability to pay monthly grants to schools as it involved additional staff and heavy work to the Department.

(The Hindu, 14-12-1942) ..

### Revised Scale of Dearness Allowance for Low-Paid Government Servants in the U.P.

The Government of the United Provinces has sanctioned a higher scale of dearness allowance to its employees; the scheme came into force on 1-1-1943. According to the new scale, in the municipal and cantonment areas of the more important towns in the Province (about 10 in number) the monthly dearness allowance will be Rs. 6-8-0 for Government servants drawing less than Rs. 40/- per mensem, and Rs. 9/- for those drawing between Rs. 40/- and Rs. 100/- . In other areas the allowance is Rs. 5/- for those getting less than Rs. 40/- and Rs. 7-8-0 for those getting between Rs. 40 and Rs. 70 per mensem. Marginal adjustments will be allowed in all the categories to the extent necessary to secure that a Government servant is not worse off in total emoluments than one who draws the full amount of the allowance under the scheme.

(The Leader, 24-1-1943) ..

### Deferred Bonuses to Employees.

#### Government of India's suggestion for checking Inflation..

A proposal that the higher paid wage earners should agree to defer till the postwar period some part of the extra purchasing power derived from bonuses granted by the employers, is made by the Government of India in a circular letter addressed to all the interests concerned, who have also been asked to give their views in the matter. In its letter, the Government points out:- "A tendency to inflation is already apparent in India and the result of inflation cannot but prevent industrial labour from receiving full value for the increased earnings. It is, therefore, incumbent on industrial labour, partly in its own interest and partly for the good of the country as a whole, to take its part in the prevention of inflation by agreeing to defer till the post-war period some part of purchasing power derived from the receipt of bonuses. It is proposed that the higher-paid industrial wage earners should agree to defer till the post-war period some part of the extra purchasing power derived from bonuses granted by the employers. The Government of India considers that the wage figure of Rs. 50 may be fixed as the level of wages below which no deferment should be considered payable. It is proposed that 50 per cent. should be payable ~~xxxxxxx~~ in cash and that the remaining 50 per cent. should be payable to the credit of the employee in a defence savings bank's account opened for him in the post office. Employees should not be allowed to draw on such accounts until one year after the conclusion of hostilities, except under authority of some Government official in the case of prolonged unemployment."

(The Hindustan Times, 17-1-1943) ..

Supply of Essential Commodities at Reduced Price and  
Grant of Increased Dearness Allowance to Employees:  
Scheme Adopted by Calcutta Corporation.

Emergency allowance at the rate of Rs.3 per month was granted to its menial and labour staff by the Calcutta Municipal Corporation with effect from 1-7-1942 (vide page 25 of our August, 1942, report). Owing to the steadily increasing rise in prices of all essential commodities- foodstuffs, fuel kerosene, etc.- the employees of the Corporation have been agitating for grant of more comprehensive and adequate economic relief. The labour Commissioner, Bengal, was therefore directed to make the necessary investigation on the subject and draw up a scheme. In his report submitted in December 1942, the Commissioner recommended two measures: one, to supply all the employees of the Corporation drawing salaries up to Rs.250 per month with essential commodities at reduced prices, and the other, the grant of dearness allowance on an enhanced scale.

With regard to the supply of essential articles at cheap prices, it has been estimated that the number of employees that will be benefitted by the scheme will be about 25,000 and that the quantity of the various essential articles to be supplied will be: rice-25,000 maunds (1 maund = 82 lbs); dal -6,375 maunds; salt-3,187 mds, kerosene-4,500 tins, and coke-51,000 mds. On the Corporation approaching the Government of Bengal for sanction and the supply of the articles, the Government has pointed out that the ration scale adopted is too liberal (the Government was of opinion that in no case should the scale of rations exceed the scale fixed for the Calcutta police). The concession of rations, it was emphasised by the Government, at reduced cost must be limited to one ration per individual employee and no individual can receive more than one ration on the ground of extra family members. The issue shall be the same for every one in scale, but may vary in kind according to the normal custom of the individual concerned (e.g. as between the cooly and scavenger on the one hand and the clerical assistant on the other). As regards the supply of these foodstuffs, the Government states that the Director of Civil Supplies will be able to furnish from stock under control a fair proportion of one week's supply but after that the Corporation will have to purchase in the open market. The Government has asked the Corporation to make enquiries of the Director of Civil Supplies and in the open market about price of these foodstuffs and let it know at what price the Corporation would be able to sell the commodities to the employees for the purpose of giving effect to the award of the Labour Commissioner.

With regard to the grant of dearness allowance to the employees, the Provincial Government has advanced to the Corporation a sum of Rs.620,000 including a sum of Rs.220,000 to cover the allowances for January and February 1943. A certain section of the employees, however, has drawn the attention of the Corporation to the fact that since, with the grant of the proposed dearness allowance, their income will rise to the level of the minimum taxable income and a certain reduction will have thus to be made as tax from their earnings, the dearness allowance does not in fact serve any real purpose so far as they are concerned.

Pointing to this fact, the Calcutta Corporation has addressed a communication to the Labour Commissioner, expressing the view that it is desirable that the relief contemplated in the shape of dearness allowance should not be taken as an increase in pay and should not make the employees enjoying the allowance assessable for income-tax. The Corporation in this connection points out that conveyance allowance is not assessable for income-tax. The Labour Commissioner has been requested by

by the Corporation to take up the matter with the proper authorities.

(The Amrita Bazar Patrika, 4, 9, 13, 19 and 20-1-1943)..

Further Extension of Scale of Dearness Allowance by Bombay Textile Mills..

In July, 1942, the Millowners' Association, Bombay, extended the sliding scale of dearness allowance so as to cover variations in the Bombay working class cost-of-living index numbers between 164 and 183 (vide page 27 of our July 1942 report). The index number for December, 1942, rose to 188. To meet this and any further increase in the cost of living, the Millowners' Association, Bombay, has decided to extend the scale of allowance up to index number 203, the rate of increase being the same as before. According to the scale as extended, the allowance payable when the index number is 188 is Rs. 19-11 for a month of 26 working days, and Rs. 23-4 when the number is 203.

In view of the rise in the working-class cost of living in Bombay, the Board of Directors of the Silk and Art Silk Mills' Association, Bombay, also have resolved to extend the existing scale of dearness allowance applicable to the employees of their member mills so as to cover variations in index numbers up to 203. The rate of dearness allowance per head per working day sanctioned by the Association for index numbers 188-189 is Re. 0-9-9 and for index number 203, Re. 0-11-6.

(The Industrial Bulletin dated 11-1-1943  
issued by the Employers' Federation of India.)

Employment  
Militarising Madras Port Trust Services..

The Madras Port Trust is at present contemplating a scheme for militarisation of its services. It will cover labour as well as other categories of its servants and, according to present indications, may come into effect towards the beginning of February, 1943. This will involve bringing the entire body of labour-part of it directly employed by it and part of it in the employ of shippers-under a centralised control. The increases in remuneration of the services may vary from 12½ per cent. in the case of superior servants to 25 per cent. in the case of the lower ranks and labourers plus a ration allowance of Rs. 15 and free clothing. Details of the scheme are now being worked out by the authorities concerned.

The Hindu, 8-1-1943.)

Production

Progress of Indian Industries during War:  
Projected Enquiry by Government of India.

In the course of his reply to a memorandum presented by the Southern Indian Chamber of Commerce, early in January 1943, Sir H. P. Mody, Member in charge of the Supply Department, Government of India, stated that he was considering the collection of information about the progress achieved by industries in India during the war and that a scheme was being framed for the purpose. He added that, as materials were very difficult to obtain, the planning of major industries had to be postponed until after the war.

(The Leader, 11-1-1943)..

### Rubber Production in Ceylon: Measures to Intensify Tapping.

An important conference was held at Colombo in the middle of January, 1943, for considering measures for intensifying rubber tapping in Ceylon. Field Marshall Wavell presided, and among those who attended were the Governor of Ceylon, the Minister of Agriculture and the Minister of Labour. The Conference decided that all rubber estates of 25 acres and over should be asked to increase tapping to an intensity not less than the double-three system, that in addition 20 per cent. of the trees must be 'slaughter-tapped', and that all managers and proprietors who are prepared to tap during the wintering period are to be encouraged to do so. The authorities are believed to be taking steps to recompense proprietors of estates and small holdings liberally for rubber produced by more intensive tapping and 'slaughter-tapping' methods.

(The Leader, 28-1-1943.).

#### War Risk Insurance

War Risks (Goods) Insurance (Amendment) Ordinance, 1943, and war Risks (Factories) Insurance (Amendment) Ordinance, 1943.

Two ordinances amending respectively the War Risks (Factories) Insurance Ordinance and the War Risks (Goods) Insurance Ordinance were promulgated on 27-1-1943, by the Viceroy.

War Risks (Factories) Insurance (Amendment) Ordinance.— Under the War Risks (Factories) Insurance Ordinance, as amended, mill stores meant for use as motive power, or for the maintenance of the factory's plant and machinery, or for use in the construction, reconstruction, or maintenance of factory buildings, have now become insurable. Owners or occupiers of factories should therefore take out before the 28th February 1943, supplementary policies of Insurance in respect of such stores.

The existing provision which enables the Central Government to postpone, in accordance with prescribed principles, payment of admitted claims has been clarified. Under the new provision, the Central Government has the power to postpone payment for one year after the termination of hostilities or to any subsequent date subject, however, to the condition that if payment is postponed for more than a year after the termination of hostilities, the Government would allow interest at the rate of two per cent. per annum on the amount of the admitted claim for the end of such year.

Under the Ordinance, as it stood prior to the amendment, the insured party had to bear the first Rs. 1,000, or 20 per cent. of the claim, whichever is greater, in respect of each claim. As it was considered that this might cause hardship to owners of small factories, the insured party's liability to bear a portion of the loss has been reduced and will vary in accordance with a graduated scale to be prescribed. Power has also been taken to provide for war risks insurance of plant and machinery either above or below ground of mines, buildings appertaining to mines and within a radius of two miles from the mine excavations, and to mine stores.

War Risks (Goods) Insurance (Amendment) Ordinance.— The existing War Risks (Goods) Insurance Ordinance provides cover for goods situated in British India or in a participating state. There was no provision for cover for goods imported into India but discharged at a port not situate in British India or a participating State.

The war risks (Goods) Insurance Ordinance has now been amended so as to enable sellers of goods in British India or a participating State to insure goods imported into British India or participating states through any port not in India. Cover will be provided while the goods are situated in such a port prior to their transit and during transit.

(The Government of India Gazette Extraordinary, dated 27-1-1943, pages 124 to 130 and the Hindu, 27-1-1943)..

### Food Policy

#### Results of "Grow More Food Campaign" in 1942: Government's efforts for more intensive Production Drive.

An appeal to Provincial Governments to prepare plans for all-out food production in 1943 and a promise to give financial assistance, where necessary, for giving effect to these plans have been announced on 11-1-1943 by the Government of India. Such assistance may take the form of loans to finance the purchase of machinery, or grants for distribution to growers or grants to meet part of the cost of any scheme.

Increased Acreage in 1942.— Official figures are now available to show the progress of the "grow more food" campaign last year. The increase aimed at was 2.6 million acres in rice—from 73 millions to 75.6 millions and 5 million acres in millets—from 51 millions to 56 millions. Figures have been received only from five provinces—Bombay, C.P., Punjab, Bihar and U.P.—but they show that the increase in those areas alone has been 4.1 million acres. This increase has been secured by substituting food crops for other crops like short-staple cotton and jute. The position as regards jute is that the jute acreage was reduced in 1941 from 4 millions to 2.3 millions. This was raised the following year to 2.5 millions, but it is expected that in 1943 they would go back to the 1941 figure—thus releasing a million acres more for food crops. As regards cotton, it is revealed that there has been a reduction of 4 millions in the cotton acreage—from 22.2 million acres to 18.2 millions. About Rs. 3.5 millions have been spent in subsidizing the conversion of short staple cotton to food crops.

Production Difficulties.— Food production plans are, however, faced with a number of difficulties. Firstly, as all land with reasonable irrigation facilities is already under cultivation, there is no large prospect of bringing new areas under cultivation. Secondly, there is the difficulty in arranging manuring. According to an official estimate, it is possible to increase the yield of food crops by 25 per cent. if adequate manuring is available. There is, unfortunately, now an insufficiency of indigenous manure—nor is it possible to get imported manure owing to existing shipping difficulties. Thirdly, in certain areas agricultural labour is drifting to more lucrative employment like road-making, factory work, etc. So far as rice is concerned, there appears to be no possibility of increasing the rice acreage sufficiently to cover the loss of supply from Burma and Siam. The only thing that can be done to wipe out the deficit is to supply other crops like wheat.

Large-Scale Production of Vegetables.— For the purpose of meeting military needs, a scheme for large-scale cultivation of vegetables has been introduced. It is said that, as vegetables lend themselves to mass production if special facilities are provided in areas selected for the purpose, it is now possible to go ahead with an intensive campaign.

The proposal is to leave normal production for the civil population and organize mass production areas for supplying vegetables to Defence forces. A beginning has already been made in Bombay.

( The Hindustan Times, 14-1-1943. ).

Bengal Government's Food Measures :-  
Distributing Trades Tribunal-Special Facilities for Workers-Canteens  
for Middle Classes.

The decision of the Government of Bengal to set up an organisation of selected importers and distributors throughout Bengal to ensure equitable distribution over the whole province at fair prices of essential commodities imported at known prices was announced by the Minister of Agriculture and Industries, Government of Bengal, at a press conference held at Calcutta on 20-1-1943. The Government have also decided to appoint a Distributing Trades Tribunal with Sir A. G. Fazlur Rahman, Sheriff of Calcutta, as President. The function of the tribunal will be to examine the existing trade system in various commodities, make the necessary selection of dealers in the higher grades, allot them quotas and areas of operation and to link up the dealers thus selected with local dealers to be selected on approved principles by local officers of Government.

Special Facilities for Workers. - The question of supplying rations, or alternatively, providing facilities to essential employees in the twenty municipalities in the Calcutta industrial areas for the purchase of food-stuffs and other necessary articles at fair prices is now engaging the attention of the Government of Bengal. The Government, after examining the question in all its aspects, will formulate a general scheme to be applied to all the municipalities in these areas.

Food Canteens for Middle Classes and Office Workers. - The first of the "Popular Canteens" in Calcutta, where food can be had at four annas per meal was opened on 6-1-1943, by the Hon'ble Mr. N. R. Sarker, Commerce Member, Government of India. In his opening remarks, Mr. Sarker said that in recent weeks, with the scare caused by Japanese bombing in the city, the servants have started an exodus and middle class establishments in the city have been badly affected. Poor people, especially the workers in factories, are being cared for by the industrial concerns which supply food-stuffs at control prices. The richer sections of the community can fall back on their stock of foodstuffs and also can afford to pay higher prices to keep them going. There has thus been felt increasingly the need of a widespread network of popular canteens, supplying food at moderate prices and catering to this widely felt need of the middle class public, particularly office-workers. The canteens are organised by the Calcutta Relief Committee, which is planning to set up a number of such canteens for different centres in the city.

(The Amrita Bazar Patrika, 8-1-1943, 22-1-1943  
and 29-1-1943. )-

Food Rationing in Bombay City to start from April 1943.

According to a statement made by the Supply Commissioner, Bombay, at a press conference on 20-1-1943, food rationing will be introduced in Bombay during the first week of April 1943. In the meantime, Government hope to get sufficient supplies of foodstuffs from the surplus provinces.



As a preliminary to the rationing of food grains, all houses in Bombay City have been numbered. For this purpose, Inquiry Officers have been allotted specified areas of the city. Under the Bombay Rationing Preparatory Measures Act, every person occupying any premises ~~xxxxxxx~~ had to allow the Inquiry Officer such access to the premises as he may require for the purpose of his work, and answer all legitimate inquiries regarding food supply, such as details of stocks of provisions kept, number of consumers in each house, etc.

(The Times of India, 22-and 27-1-1943.)

Food Policy of Government of India: Statement  
by Member in Charge, Food Department.

An elucidation of the Government of India's food policy was given on 25-1-1943 by the Hon'ble Mr. N. R. Sarker, Commerce and Food Member, Government of India, at a press conference. Three measures are proposed by the Government to combat the food crisis—first, the procurement of supplies to the extent possible both in India and from outside; secondly, the establishment of Government purchasing agencies who will have the monopoly of purchase and send stocks to deficit provinces; and thirdly, the removal of the price control on wheat in order to get the stocks out. The purchases will be made by the Provincial Governments through ordinary trade channels at market rates. The Food Member also said that a food expert would in the near future come from England to advise the Government on rationing and other problems. With regard to rationing, he ~~said, the difficulties of rationing the whole population of India are obvious.~~ The rationing of urban and industrial areas is, however, a more practicable proposition and Provincial Governments have been requested to make preliminary arrangements so that they may be in a position to introduce rationing without undue delay, should this course be found necessary.

(The Hindustan Times, 26-1-1943.)

Compensation for War Injuries.

Award to Workmen of Assam Oil Co.

The directors of the Assam Oil Company have decided that in cases where injury or death results to employees owing to enemy action, and the compensation payable to them or their dependents under the War Injuries Ordinance, 1942, is less than the compensation which would have been payable had the said injury or death been suffered in circumstances in which the Workmen's Compensation Act would be applicable, the company will make up the difference.

(The Amrita Bazar Patrika, 13-1-1943.)

Madras Government's Relief Scheme.

To afford relief to persons sustaining war injuries, the Government of Madras has formulated a scheme providing temporary allowance, if the injury sustained by a person incapacitates him for work for not less than 7 consecutive days, disability pension if the injury sustained causes the person serious and prolonged disablement, and family pension and children's allowance if the person dies as a result of the injury.

Person eligible for relief under the scheme include Government servants, members of Civil Defence organisations and A.R.P. Services,

and persons engaged in any trade, business, profession or avocation, who are dependent thereon for a livelihood. Relief will also be given to persons dependent on a person, who dies as a result of the injury caused and who has been substantially dependent for his livelihood on a pension, annuity or other income ceasing with his death.

The Chief Judge of the Court of Small Causes, Madras, and District and Subordinate Judges in the districts have been appointed Claims Officers under the Scheme. The whole cost of relief grant will be borne by the Central Government.

(The Amrita Bazar Patrika, 28-1-1943.).

### Emigration

#### Government Action re. Evacuees and Indians in Enemy Occupied Territories. .

In the Review of Important Events relating to or affecting Indians in different parts of the British Empire during the year 1941-42, recently published by the Government of India, a brief account of the action taken by the Government in respect of Indian evacuees from territories under enemy occupation and of dependents of Indians stranded in enemy occupied territories is also given. A brief summary of the measures taken by Government in this sphere is given below:-

Appointment of Protecting Powers. - British and Indian interests in Japan, Japanese-occupied China, French Indo-China and Thailand are being looked after by the authorities of Switzerland. The Japanese Government have refused to recognise the appointment of a protecting power in the territories of the United Nations occupied by Japan.

General reports regarding conditions of British Subjects in the Japanese occupied territories. - Information of a general character has been received in respect of Japan, Indo-China, Shanghai and other treaty ports in occupied China. In Shanghai and other treaty ports in occupied China, the general situation was reported to be satisfactory though public utilities were functioning on a restricted basis and withdrawals from British deposits in Banks were limited to 2,000 local dollars per month per person. British subjects other than officials, were not interned, and were reported to be fairly well treated. Indians in Indo-China have not so far been disturbed and no restrictions have been placed on their movement. In Hong-Kong the condition at the prisoners of war camps is said to be not unsatisfactory. The rations are fair but are expected to dwindle in a few months.

Arrangements made to assist Indians stranded in enemy occupied territories. - In Shanghai arrangement has been made to afford through the protecting power monetary assistance up to £ 10 per head per month to all British subjects who are in indigent circumstances, against undertakings to repay wherever considered necessary. Supplies of food-stuffs and clothing to the limit allowed by the Japanese are being distributed the prisoners of war camps in Hong-Kong and Singapore under the supervision of local missionaries. Necessary funds for the purpose have been made available by the Government of India. Recently, postal communications with prisoners of war and civilian internees in occupied territories through neutral countries have become possible. The manner in which such letters should be addressed and despatched has been given wide publicity throughout India.

Arrangements made to obtain information about British civilian subjects in Japanese occupied territories.-As the Japanese could not see their way to accepting a neutral country functioning as protecting power for British interests in the British territories occupied by them, the International Red Cross is the only organisation available for obtaining information in answer to enquiries about internees. The Red Cross has its delegates functioning in Tokio, Shanghai and Hong Kong. Switzerland is the protecting power for British and Indian interests in Japan, Japanese-occupied China, French Indo-China and Siam. It has been possible through this source to obtain information about a number of individuals in these countries, but the absence of a Red Cross Delegates or a protecting power in Singapore, Malaya, the East Indies and Burma, has resulted in lack of news from these places. As regards Burma, it has been found useful to refer enquiries regarding Burma Government employees to the respective Departments of that Government now established in India (Simla). The information received in response to such references is encouraging. But it has not been possible to obtain information in regard to non-Government employees who have not come to India. Enemy stations are also broadcasting welfare messages from Indians stranded in those parts, but they relate mostly to prisoners of war. Messages from the relatives of persons stranded in Malaya and Burma are also being broadcast from the all India Radio.

Assistance to evacuees and dependents of Indians stranded in enemy-occupied territories.- Prior to the arrival of large numbers of Indian evacuees from Malaya and Burma, the problem was mainly one of assistance to a handful of Indians evacuated from Aden, Somaliland and Eritrea. The grant of such assistance as was necessary was being administered by the Home Department under the terms of a letter issued by it on 26-7-1941. The terms included payment of repayable advances at rates not exceeding Rs. 15, 25 and 6 per month for a single adult, a couple and a child respectively belonging to the artisan class and at rates not exceeding Rs. 20, 35 and 6 per month for those belonging to a better class. When the Indians Overseas Department assumed charge of the welfare of Indian evacuees after their influx in large numbers, it first extended the principle of the payment of the allowances mentioned above to all evacuees of Indian origin from whatever war zone and then sanctioned the grant of similar allowances to dependents of Indians stranded in enemy-occupied territories. Closely connected with the question were the arrangements for the despatch to their homes of evacuees arriving at ports by sea or by land routes, and though the Government of India at first decided to advance necessary funds for railway tickets, they later on gave the discretion to Provincial Governments to dispense with the requirements of undertakings to repay if the number of evacuees to be dealt with was large. In addition to granting such railway tickets at Government expense, the Provincial Governments were also authorised to grant necessary out-of-pocket expenses for journeys involving travel for over six hours. The scale of allowances granted to evacuees and to dependents of those stranded in enemy-occupied territories has also been under review so as to relate the allowances to the varying requirements of the different classes of evacuees as judged from their pre-evacuation incomes. Revised scales have since been sanctioned on these lines.

Employment facilities for evacuees.-The problem of employment of evacuees has received the consideration of the Government of India. For unskilled workers many openings have been provided in new camps; aerodrome and road construction and building and relief works have also been opened by certain Provincial Governments in some areas.

Skilled workers, for whom there is considerable demand, have been invited to register with National Service Labour Tribunals with a view to their being placed in employment in industry. In respect of other workers Provincial Governments have been requested to register applications from evacuees and put them in touch with prospective employers. Evacuees have been declared to be eligible for Government employment though not in preference to local employed. Government employees from Burma, Malaya and the Far East have been permitted by their respective Governments to take up temporary employment under Government in India.

Representatives in India of Malaya, Burma and Other territories under Enemy Occupation.—With a view to securing the prompt settlement of claims of pay, pension, leave salaries, provident funds and the like, of ~~Government~~ Government servants evacuated to India and the grant of family allotment to dependents in India of Government employees stranded in Malaya and Burma, Representatives of the pre-war Governments have been appointed. The existence of a number of persons in India who were dependents of employees of the Hong-Kong Police and whose breadwinners were stranded in these territories was brought to the notice of the Government of India. The Colonial Office has agreed to necessary payments being made on their behalf by the Government of India at rates equivalent to 50 per cent of the pay of the employees concerned. Claims from the other employees of the Hong-Kong Government in India are also being settled in consultation with the Colonial Office.

Miscellaneous.—One of the problems confronting evacuees from Malaya and Burma has been the payment of the money standing to their credit in the post offices in those countries and necessary arrangements have been made to permit closure of these accounts at post offices in India. Postal cash certificates issued in Burma after its separation from India have also been made payable in India. Other directions in which ~~India has~~ relief has been provided to evacuees from Burma and Malaya are by way of exemption from customs duty on personal baggage and moratorium of income-tax on assets left behind in those territories.

Educational facilities for evacuee students.—In order to remove the difficulties of the evacuee students from Burma and Malaya, the Government of India requested all the Universities and Provincial Governments to afford these students special facilities. All the Universities and Provincial Governments have agreed to recognise, the period spent by the evacuee students in schools and colleges in Malaya and Burma for the purpose of continuing their studies in India.

#### Relief for Burma Refugees: Scheme of Financial Assistance. +

The steps taken by the Government of India for the relief of Indian refugees from Burma and other enemy occupied countries, were reviewed by the Hon'ble Mr. M. S. Aney, Member-in-Charge, Indians Overseas Department, Government of India, at a press conference at Puri on 31-12-1942.

Mr. Aney, who had recently inspected the reception arrangements for evacuees in Assam, the Indian province adjoining Burma, said that the arrangements were complete, but the number of refugees coming down was not large. He ascribed the slowing down of evacuation from Burma partly to the military operations now going on and partly to the doubts entertained as to the need for evacuation owing to gradual res

reoccupation of parts of Burma by the British army. He added that this Department had appointed four refugee officers whose duty it was to keep in touch with refugees now settled down in various parts of India and to assist local officers in steps taken to help evacuees. Dealing with the fresh problems raised by internal evacuation, for example, evacuation of Calcutta consequent on air raids, he said that the subject belonged to the domain of the Civil Defence Member, and that the Government of India was considering the advisability of setting up a new organisation to deal with the problem of internal evacuation.

(The Hindustan Times, 5-1-1943). +

Scheme for Financial Assistance to Refugees.— The Government of India's scheme for financial assistance to refugees provides that provincial authorities should grant loans to these refugees to help them till such time as they are able to find employment. The amounts so advanced are to be debited to the account of the Government of India. The Special Correspondent of the Hindustan Times points out in its issue dated 14-1-1943 that provincial authorities are not taking full advantage of the scheme for helping refugees, either because they have not the necessary staff to deal with the large number of refugees in their areas or because of unwillingness to meet the expenses from their own funds, though the Government of India have promised to re-imburse them later. It is also stated that there has been some difficulty in differentiating between genuine refugees needing assistance and those who are merely using it as a convenient means for begging. The result, however, is that though the Government of India have sanctioned a scheme for financial assistance and are prepared to bear the whole cost of it, the Provincial authorities have not been able to give full effect to the scheme and provide monetary assistance to all who need it. It is understood that the Government of India have again brought to the notice of Provincial Governments the need for giving all the help necessary to stranded refugees.

(The Hindustan Times, 14-1-1943). +

### Labour Welfare

#### Labour Welfare Measures to retain Workers in Factories during Enemy Raids in Calcutta: Discussion between Government and Workers.

The Government of Bengal has appointed Regional (Labour) Advisory Committees for Calcutta and the industrial areas surrounding Calcutta to advise Government as to the steps to be taken in regard to the labour problems and welfare of the workers. A meeting of the Calcutta Committee was held on 15-1-1943 at the office of Mr. A. Hughes, Registrar of Trade Unions and Labour Commissioner. The following labour groups were represented: the Trade Union Congress, the Communist Party, the National Chamber of Labour, and the Federation of Labour (M.N. Roy Group). Several unattached (independent) Unions were also represented. The Labour Commissioner presided. Mr. Mrinal Kanti Bose, representing the Trade Union Congress, opened discussion on the items on the agenda, which included food situation, protective measures and propaganda measures. On the food situation, Mr. Bose suggested the introduction of food rationing by coupons for each household, the licensing of as many of the existing shops as possible to sell food and other necessities at controlled prices, the compulsory giving of vouchers by shop-keepers, arming of Corporation Market Superintendents with the power to hear complaints on the spot about excessive charges, the appointment of superintendents

with similar powers for non-municipal markets, the supply of coal, fuel, rice and other necessities, the production of coupons, the utilisation of the services of the A.R.P. staffs in distribution and rationing, ascertaining by the Government of the requirements of food in every locality, the wards of the city being taken as units, and the revision of the census figures of each house for issuing coupons. He urged that the practice of making people wait in queues for supply should be stopped as soon as the system of rationing is introduced. As for protective measures, Mr. Bose suggested requisition of houses for shelters in greater number, accommodation of ~~the~~ scavengers, mill workers and other labourers of essential service in pucca houses as near as possible to their respective work places and the commandeering of houses for the purpose. As to propaganda, Mr. Bose suggested that on the radio workers should be told, from as many convenient centres as possible and at meetings, the arrangements made for their accommodation, shelter against bombing raids, and food supply and of the advantages they would have by sticking on to their jobs. The Government of Bihar, Orissa and U.P. should be asked to take similar measures to induce workers to return to Calcutta. A general discussion followed. Representatives of unions generally agreed with the suggestions of Mr. Bose which they considered were quite practicable.

(The Amrita Bazar Patrika, 18-1-1943.).

Government Proposals for Workers' Grain Shops and  
Deferred Bonus: Criticism of Bengal Trade Union Council.

At a meeting of the General Council of the Bengal Provincial Trade Union Congress, held at Calcutta on 18-1-1943, several resolutions dealing with the food problem, particularly in so far as workers are concerned, were adopted. As regards the memorandum circulated by the Government of India among employers suggesting the opening of cheap grain shops for workers (vide page 25 of our October, 1942, report) the meeting was of opinion that the management of workers' grain shops should be left in the hands of the local trade union or to representatives of workers concerned; where there were no unions, under the joint supervision of a Committee, consisting of an equal number of representatives of workers and employers, with a chairman nominated by the Labour Commissioner. The most suitable grain shop, according to the meeting, was one that would sell all necessary articles at pre-war rates at the cost of employers and the Government. The meeting did not support the recent proposal made by the Government of India that higher paid wage-earners should agree to defer part of their bonus till the post-war period (vide page 29 of this report) for, it felt that inflation had not been caused by any increasing earnings of workers or any increasing purchases made by them, and that, not only had there been no increase in their basic wages, but also the total amount of war-time allowances and bonuses taken together does not make up in full the losses suffered by them owing to the rise in prices of commodities.

(The Statesman and Hindustan Times, 20-1-1943.).

Cost Price Food Grain Supply in Orissa Factories.

By notification No.190-Com.(c) dated 5-1-1943, the Governor of Orissa has authorised the supply of food-grain at cost price by any employer of a factory to which the Payment of Wages Act, 1936, applies, from a grain shop or store operated by him, to his employees for their private use and at their will, up to a maximum of 50 per cent of their wages, as an amenity for which deductions from the wages of such persons may be made.

(The Orissa Gazette, dated 8-1-1943.).

Control MeasuresThe Punjab Supply of Electricity Order.

With a view to economising the use of diesel oil by reducing the hours of supply of electrical energy by power supply undertakings operated by oil in the Province, the Punjab Government has, on 4-1-1943, promulgated the Punjab Supply of Electricity Order, by which the power houses in the Province (divided into six classes), are required to cut off energy during certain specified hours each day. Over 50 power supply undertakings are affected by the Order.

(Notification No. 5841-E1-42/333 dated 4-1-1942, Punjab Government Gazette, Part I, dated 8-1-1942, page 26.)

The Typewriter Control Order, 1943.

In view of the great shortage of typewriters in the country, the Government of India has adopted the Typewriter Control Order, 1943, which prohibits the sale of typewriters to any one not holding a permit granted by the Controller of Printing and Stationery, India.

(Notification No. A 755 dated 29-12-1942, The Gazette of India, Part I, Section I, dated 2-1-1943, pages 33 and 34.)

Control of Motor Transport:Government of India's directions to Provincial Governments.

The prolongation of the war and the difficulty of obtaining fresh consignments of motor vehicles have made it necessary for the Government to conserve all existing vehicles, particularly goods trucks, and to ensure that those already in the country are utilised to the best advantage of the State and the owner, and are not subjected to stresses which would shorten their life. With a view to bringing about this rationalisation, the Government of India has directed that all motor traffic should be controlled and Transport Controllers be kept in touch with their use.

In accordance with this policy, the Government of Bombay has decided, to exercise control, to start with, over the use of goods trucks and lorries. The Control will be exercised through Provincial and Regional Motor Transport Controllers. The Secretary, Provincial Transport Authority, Bombay, has been appointed the Provincial Motor Transport Controller and four Regional Motor Transport Controllers also have been appointed under him. Under the Defence of India Rules, the Government has authorised these Controllers to call upon every owner of goods transport vehicles, whether for public or private use, to furnish information in prescribed forms regarding the use to which they put their vehicles.

(Press Communique dated 14-1-1943 of the Director of Information, Bombay.)

Bombay Rationing Preparatory Measures Act, 1943.

The Bombay Government has adopted the Bombay Rationing Preparatory Measures Act, 1943, to provide for the numbering of premises and collecting information about residents as measures preparatory to the rationing of articles essential to the life of the community. The Statement of Objects and Reasons stresses the desirability of being prepared for the introduction of a system of rationing of foodgrains and other articles

or things essential to the life of the community in any area in the Province in which it may become necessary to do so. In some areas, particularly in large cities, it may not be possible systematically to collect information about all persons unless all premises in the area are numbered. The Act provides for powers to carry out these preparatory measures. As any action prejudicial to the carrying out of these measures will seriously affect the interests of the community, a penalty of rigorous imprisonment with fine has been provided for a breach of the provisions of the Act.

(The Bombay Government Gazette, Part IV,  
dated 8-1-1943, pages 19 to 22.) +

The Bengal Sugar Licensing Order, 1943.

The Government of Bengal has adopted the Bengal Sugar Licensing Order, 1943, according to which no person is to engage in any undertaking which involves the purchase, sale or storage for sale, in wholesale quantities of sugar except under a license issued by the Provincial Government. The licensee is to submit fortnightly returns of his transactions and to keep accurate and detailed accounts.

(Notification No. 112 D.C.S. dated 6-1-1943:  
The Calcutta Gazette Extraordinary,  
Part I, dated 7-1-1943.) +

The Bombay Essential Articles Restricted  
Acquisition Order, 1943.

The Bombay Government has, on 19-1-1943, issued the Essential Articles Restricted Acquisition Order, 1943, which provides that no person shall, except under the authority of a licence granted by the Provincial Government, acquire any "essential article" if by so doing the quantity thereof in his possession or under his control shall exceed the normal requirement of his household or establishment for a period of one month, or such other period as may be justified by special circumstances. Dealers and stockists are also required to see that their customers do not acquire the articles in excess of their quota. "Essential articles" covered are wheat and wheat products, rice, Jowar and bajra. The Order comes into force in the City of Bombay and the Bombay Suburban District from 19-1-1943, and may later be extended to other parts of the Presidency

(Notification No. 401-I, dated 19-1-1943,  
The Bombay Government Gazette Extraordinary,  
dated 20th January 1943) . +

The Sind Passenger Lifts Control Order, 1943.

In order to minimise the consumption of electrical energy in the Province, the Government of Sind has adopted the Sind Passenger Lifts Control Order, 1943, according to which no licensee should supply energy for the purpose of a passenger lift in any building, serving up to two floors or under (excluding the ground floor) and no consumer should use any energy for such purpose. Lifts in Government buildings, hospitals and nursing homes are exempted from the Order. It comes into force on 10-2-43 in the Municipal and Cantonment limits of the City of Karachi in the first instance, but the Provincial Government may bring it into force in any other area from such date as may be notified later.

(Notification., No. 5060-M, dated 28-1-1943;  
The Sind Government Gazette, dated 28th January  
1943) . +



The British Baluchistan Motor Transport Control Order, 1943.

The Chief Commissioner, British Baluchistan, has gazetted the British Baluchistan Motor Transport Control Order, 1943, according to which owners of motor transport vehicles are required to get permits from the Provincial Motor Transport Controller for engaging their vehicles in specified trades. No alteration is to be made in the specific trade in which any motor vehicle is engaged without the sanction of the Controller.

(Notification No. 82/2-42/M.V., dated 21-1-1943;  
The Gazette of India, Part III-A, dated 30-1-1943.)

Government Scheme for Production and Distribution of Standard Cloth: Decisions of Bombay Meeting.

As the result of discussions between the Commerce Member, Government of India, and textile interests in Bombay in December, 1942, a draft was prepared of a statutory order dealing with the production and distribution of standard cloth and forwarded to the provincial Governments and textile interests to ascertain their reaction to the scheme; for final consideration of the matter a meeting took place in Bombay on 31-1-1943, between the Standard Cloth Advisory Panel and the Government of India.

Government Proposals.— The Indian Standard Cloth Board, which it was proposed to form, is to have statutory powers to require any mill to produce a prescribed quantity of standard cloth and sell it to approved dealers on a terms determined by the Board with the consent of the Central Government. An interesting feature of the scheme is the proposal to establish a price equalization fund to enable the price of cloth to be maintained over the specified period. The Board is to create this fund by charging dealers a fee not exceeding 5% of the price charged by the mill for standard cloth. The Board is to allot quotas for distribution in various areas and will maintain a register of approved dealers. Only approved dealers are to receive supply from the mill or offer it for retail sale. No person authorised to buy and use standard cloth is to be allowed to have at a time more than 10 yards of standard cloth per person; such persons can obtain a fresh supply only after a prescribed period. Only an authorized person is to have legal right to receive or sell standard cloth.

The two executive officers of the Board are to be the Standard Cloth Commissioner and the Secretary of the Board. Both will be Government officers. The Board may constitute local boards to arrange for the distribution of cloth among approved dealers, to make such dealers open shops in convenient centres, to supervise and inspect the distribution of cloth by approved dealers, and to inspect mills producing standard cloth. The local boards may appoint their own staff and guaranteed brokers.

Decisions of Bombay Meeting.— The meeting was presided over by the Hon. Mr. N. R. Sarker, Commerce Member, Government of India, and was attended by officials of the Cotton Textiles Directorate and representatives of millowners from all over India.

An agreement to reserve sixty per cent. of the capacity of the Indian cotton textile industry to meet the demands of the Government of India on account of defence requirements and standard cloth for the poor and the lower middle class was reached at this meeting. It is estimated that on the basis of the present requirements of the Supply

Supply Department, 35 percent of the loom capacity of the cotton mills will be available for manufacturing standard cloth amounting to about 1,500 million yards a year. At a beginning, it has been decided to manufacture 50 million yards of standard cloth during the quarter ending April 30, 1943, and to increase the orders progressively in the light of experience gained. The purchase price will be reviewed by the Government of India every quarter in the light of the changes in the cost of production. Efforts will be made to secure the co-operation of Indian States with a view to their eventual participation in the scheme. The scheme is expected to be in operation within a month before which minor details will, it is hoped, be worked out in consultation with Provincial Governments.

The main features of the scheme, which was approved unanimously at the meeting, envisage the constitution of a Standard Cloth Advisory Panel on the lines of the Textile Advisory Panel attached to the Cotton Textile Directorate. The panel will consist of representatives of the industry and a maximum number of four nominees of the Central Government to represent other interests. Its main duty will be to advise the Government of India on questions affecting the manufacture, transport, distribution and sale of standard cloth. The executive officer will be known as Standard Cloth Commissioner. He will work in coordination with the officers of the Department of Supply. There will be Regional Commissioners under him to supervise administration of the scheme in various provinces. The responsibility of distributing the cloth will be that of the respective Provincial Governments, though the Central Government has reserved the ~~right~~ right of direction and supervision. Provincial Advisory Committees consisting of both official and non-official representatives will be ~~set up to advise the respective Provincial Governments on the question of distribution.~~ Though no decision has been taken on the method of distribution, it is learnt that efforts will be made as far as possible to distribute the cloth through existing trade channels and through industrial and employers' organisations.

(The Statesman, 5-1-1943, and  
The Times of India, 2-2-1943).+

#### Industrial Disputes.

##### Industrial Disputes in Bengal: Employers' demand minimum intervention by Government. +

The present policy of the Government of Bengal regarding industrial disputes in the province was discussed when a deputation on behalf of the Bengal Millowners' Association met on 7-1-1943 Mr. M.K. Kripalani, Joint Secretary to the Government of Bengal, Commerce and Labour Department. It was stressed by the deputationists that Governmental intervention in the matter of industrial disputes should be kept at the indispensable minimum and that action should on no account be taken under the special powers conferred by the Defence of India Act or Rules, except in extreme cases where no settlement was possible without the exercise of these powers. It was also emphasised that the employers and their associations should be given adequate notice for submission of their explanation before any action was taken by the Government in such matters.

Mr. Kripalani agreed with the views expressed by the deputationists and gave them the assurance that their suggestions would be borne in mind when dealing with such cases in future.

(The Hindustan Times, 9-1-1943).+

Joint Adjudication in Industrial Disputes: Government to amend  
Defence of India Rules.

Legislation for joint adjudication in a trade dispute affecting a number of undertakings under different managements in the same industry or type of business is sought in an amendment proposed to be made by the Government to the Defence of India Rules. Government thinks that the proposal will avoid loss of time and dislocation caused by emergence of separate disputes covering similar issues in a number of similar undertakings. It considers that discretion might be given to an ~~adjudication~~ adjudicator to include, subject to certain conditions, any other undertaking in adjudication proceedings if the employer or an association representing the workers of the undertaking applies for such inclusion despite the fact that no trade dispute actually exists at the time in that undertaking.

(The Hindustan Times, 21-1-1943).,.

Safety Measures

Civil Defence Conference, New Delhi, 25 and 26-1-1943:  
Labour's Plea for Adequate Air-Raid Shelters and Food Supply

A Civil Defence Conference, convened by the Government of India, was held at New Delhi on 25 and 26-1-1943, the Hon'ble Sir J.P. Srinivastava, Civil Defence Member, Government of India, presiding.

At the Conference, the whole subject of co-operation between public and the official organization for civil defence was discussed. There was general agreement that the already wide contact between the official and non-official sides of the movement should be further widened. Various suggestions for attaining this end were made, but no formal resolutions were passed.

Maj.-General E. Wood placed before the conference the plans of the Central Government for dealing with the food situation, and these also were discussed. Mr. R. Mukherji, speaking on behalf of the workers, pointed out that labour demanded two things, namely, a sense of security from air raids and adequate food supply. He pleaded also for adequate air-raid shelters which, he said, were an important factor which inspired a sense of security.

(The Hindustan Times, 25-1-1943 and  
The Statesman, 27-1-1943.).

List of the more important publications received in this office during  
January 1943

Conditions of Work.-

Government of India: Department of Labour. Annual Report on the working of the Payment of Wages Act (IV) of 1936 on Railways, including a Note on the Employment of Children Act, 1938, during the year 1940-42 by Mr. Abbas Khaleeli, I.C.S., Conciliation Officer (Railways) and Supervisor of Railway Labour. Published by the Manager of Publications, Delhi, 1942. Price As. 7 or 8d.

Migration.-

- (1) Annual Report of the High Commissioner for India in the Union of South Africa for the year ending 31st December, 1941. Published by the Manager of Publications, Delhi. Re. 1 or 1s. 6d.
- (2) Review of important events relating to or affecting Indians in different parts of the British Empire during the year 1941-42. (Publication of the Department of Indian Overseas, Government of India).

Public Health.-

Asansol Mines Board of Health-Annual Administration Report for 1941-42. Printed by Minerva Press, Asansol. 1942.

Miscellaneous.-

- (1) An Essay on the Nature and Purpose of Economic Activity (Being the text of an Inaugural Lecture) by Professor V.K.R.V. Rao, University of Delhi, Delhi. 1943.
- (2) Bulletin No. 1- Thirty-Eighth. Department of Statistics. Statistical Abstract of the Baroda State from 1931-32 to 1940-41. Baroda. Printed at the Baroda State Press. 1942. Price Re. 1/6/-.

(in December 1942)

The following is the full text of the broadcast talk of the Hon'ble Dr. B.R. Ambedkar on "Why Indian Labour is determined to win this War" from the Bombay station of A.I.R.:-

There is to be a series of broadcasts by persons who are connected with and interested in Labour. My talk tonight is the first of this series. The subject of my talk is of a general sort. It is to serve as an introduction to the series. The title I have chosen for the subject is "Why Indian Labour is determined to win this War". There is one fact which must arrest the attention of all. It relates to the attitude of Indian Labour towards the War. In the midst of this sudden surge of non-cooperation with and opposition to the war effort which we are witnessing in India, Labour has been actively co-operating in the prosecution of the war. Of this there can be no question. This, Labour has done and is determined to do notwithstanding the many efforts that are being made to dissuade it from doing.

#### WHAT LABOUR WANTS

During the war Labour has secured many gains and will no doubt secure many more. As pointed out by me recently, Labour has obtained security through legislation. It has obtained the right to safety, care and attention, through the conditions of welfare which have been enforced by the Central Government upon the Employers for the benefit of Labour. But, if Labour is determined to do its utmost to accelerate the war effort, it is not simply because of the lure of these immediate gains. There are other and stronger reasons which are at the base of this determination. Labour is not content with securing merely fair conditions of work. What Labour wants is fair conditions of life. Let me explain what Labour means by fair conditions of life.

#### LIBERTY, EQUALITY, FRATERNITY.

Labour wants liberty. There is perhaps nothing new in this. What is new is Labour's conception of liberty. Labour's conception of liberty is not merely the negative conception of absence of restraint. Nor is Labour's conception of liberty confined to the mere recognition of the right of the people to vote. Labour's conception of liberty is very positive. It involves the idea of Government by the people. Government by the people, in the opinion of Labour, does not mean Parliamentary Democracy.

Parliamentary Democracy is a form of Government in which the function of the people has come to be to vote for their masters and leave them to rule. Such a scheme of Government, in the opinion of Labour, is a travesty of Government by the people. Labour wants Government which is Government by the people in name as well as in fact. Secondly, liberty as conceived by Labour includes the right to equal opportunity and the duty of the State to provide the fullest facilities for growth to every individual according to his needs.

Labour wants equality. By equality Labour means abolition of privileges of every kind - in law, in the civil service, in the Army, in taxation, in trade and in industry: in fact the abolition of all processes which lead to inequality.

Labour wants fraternity. By fraternity it means an all-pervading sense of human brotherhood, unifying all classes and all nations, with "peace on earth and goodwill towards man" as its motto.

#### THE NAZI NEW ORDER

These are Labour's ideals. They constitute the New Order, the establishment of which alone can save humanity from destruction. How can this New Order be established if the Allied Nations lose the war? That is the

supreme question which Labour knows it would be fatal to shirk or to avoid. Can this New Order be established by sitting idle and refusing to fight? Labour believes that Victory for the Allied Nations is the only hope of such a New Order coming into being. If the Allies fail, sure enough there will be a New Order. But the New Order will be no other than the Nazi Order. It will be an Order in which liberty will be found to be suppressed, equality denied, and fraternity expurgated as a pernicious doctrine.

This is by no means the whole of the Nazi New Order. There are parts of Nazi Order which must compel every Indian to give anxious thought to its dangers, no matter what his religion, his caste and his political faith. The most important part is the one which enunciates the creed of racial gradation. This is the principal dictum in the Nazi Order. The Nazis regard the German Race as the Race of Superman. They are pleased to place the other White Race below the German race. But to the Brown Races - and Indians are included in this category - they give the last place in the gradation. As though this is not humiliating enough, the Nazis have declared that the Brown Races shall be the serfs of the Germans and the White Races. They are not to have education, they are not to have any liberty - political or economic.

#### "A DIRECT MENACE"

The fury with which the British Government has been denounced by Hitler in his Mein Kampf for having given Indians education and political liberty, is quite well known. The Nazi ideology is a direct menace to the liberty and freedom of Indians. Given this fact, there is the strongest reason why Indians should come forward to fight Nazism. No one who compares the Nazi Order with the New Order which Labour has in view, can have any doubt that Labour, in making up its determination to fight for the Allies and to defeat and destroy Nazism, has taken up a position which is the only position which all sensible people can take. There are, however, people who refuse to take this view.

There are some who think that they do not mind a Nazi victory and the coming of the New Nazi Order. Fortunately, not many of these are to be found in the country. Those who take this view are not serious themselves. Nobody takes them seriously. They are embittered politicians who will not be satisfied unless they are allowed to dictate their ways and whose motto is "allier nothing".

There are pacifists who argue that all wars are wrong. They argue that the troubles of the world are largely due to the wars that have devastated and defaced human civilisation which men have built up at the cost of so much human effort. This is true. But in spite of all this, Labour refuses to accept pacifism as a principle of life. Wars cannot be abolished by merely refusing to fight when attacked. Peace obtained by surrender to the forces of violence is not peace. It is an act of suicide for which it is difficult to find any justification. It is a sacrifice of all that is noble and necessary for maintaining a worthy human life to the forces of savagery and barbarism.

Surrender is not Labour's way to abolish war. Only two things will, in the opinion of Labour, abolish war. One is to win the war and the other is to establish a just peace. In the view of Labour both are equally important. Labour holds that the origin of war does not lie in man's thirst for blood. The origin of war is to be found in the vile peace that victors often impose upon the vanquished. According to Labour, the duty of the pacifist is not to sulk and to refuse to fight when war is on. Labour believes that the duty of the pacifist is to be active and alert both when the war is on and also when the terms of peace are being forged. The

pacifist fails to do the right thing at the right time. The pacifists are active against war when war is on. They are inactive and indifferent when the war is over and peace is being made. In this way pacifists lose both, war as well as peace. If Labour proposes to fight this war, it is because pacifism is not the Labour's way of abolishing war.

#### FRENCH REVOLUTION RECALLED

There are pessimists who say that there is no guarantee that victory will be followed by a New Order. There is perhaps room for this pessimism. The New Order, which is the ideal of labour, has its roots in the French Revolution. The French Revolution gave rise to two principles - the principle of self-government and the principle of self-determination. The principle of self-government expresses the desire of the people to rule ~~themselves~~ rather than be ruled by others whether the rulers be absolute monarchs, dictators, or privileged classes. It is called 'democracy'.

The principle of self-determination expresses the desire of a people united by common ideals and common purposes to decide, without ~~xxx~~ external compulsion, ~~its~~ political status - whether independence, interdependence, or union with other peoples of the world. This is called nationalism. The hope of humanity was centred on the fructification of these principles. Unfortunately, after a lapse of nearly 140 years, these principles ~~x~~ have failed to take root. The old regime has continued either in all its nakedness or by making sham concessions to these two principles. Barring a few countries, there was neither self-government nor self-determination in the world. All this, of course, is true. But this is no argument against the attitude taken by Labour - namely, that the preliminary conditions for the establishment of the New Order is victory over the forces of Nazism. All that this means is that Labour must be more vigilant and that the war must not stop with victory over Nazis, but there must be no peace unless there is victory over the Old Order wherever it is found.

#### LABOUR AND NATIONALISM

More serious opponents of Labour are, of course, the Nationalists. They accuse Labour of taking an attitude which is said to be inconsistent with and injurious to Indian nationalism. Their second objection is that Labour agrees to fight for the war without getting any assurance about India's independence. These are questions so often posed and so seriously argued that it is necessary to state what Labour thinks of them.

As to nationalism, Labour's attitude is quite clear. Labour is not prepared to make a fetish of nationalism. If nationalism means the worship of the ancient past - the discarding of everything that is not local in origin and colour - then Labour cannot accept nationalism as its creed. Labour cannot allow the living faith of the dead to become the dead faith of the living. Labour will not allow the ever expanding spirit of man to be strangled by the hand of the past which has no meaning for the present and no hope for the future; nor will it allow it to be cramped in a narrow jacket of local particularism. Labour must constantly insist upon renovating the life of the people by being ever ready to borrow in order to repair, transform and recreate the body politic. If nationalism stands in the way of this rebuilding and reshaping of life, then Labour must deny nationalism.

Labour's creed is internationalism. Labour is interested in nationalism only because the wheels of democracy - such as representative Parliaments, responsible executive, constitutional conventions, etc. - work better in a community united by national sentiments. Nationalism to Labour is only a means to an end. It is not an end in itself to

which Labour can agree to sacrifice what it regards as the most essential principles of life.

#### INDEPENDENCE: A WRONG APPROACH

As to independence, Labour fully recognises its ~~and~~ importance. But Labour thinks that there is a wrong approach to the question of independence and a misunderstanding about its importance. The independence of a nation ex hypothesi does not tie it up to any particular form of government or organisation of society. External independence is quite compatible with internal slavery.

Independence means nothing more than that a nation has liberty to determine its form of government and its social order without dictation from outside. The worth of independence depends upon the kind of government and the kind of society that is built up. There is not much value in independence if the form of government and the order of society are to be those against which the world is fighting today. Labour thinks that more emphasis ought to have been placed on New India - and less on 'Quit India'. The appeal of a New India with a New Order is bound to be greater than the appeal of independence. Indeed the vision of a New Order in a New India would very greatly strengthen determination to win freedom. Such an approach would certainly have stopped the many embarrassing questions which are being asked, namely, freedom for what and freedom for whom.

Secondly, immediate realisation of independence as a condition for support to the war effort, Labour finds it difficult to understand. This condition marks a sudden development in the attitude of some people to the war effort, and could be justified only if there was any sudden conspiracy to rob India of her right to freedom. But there is no evidence of any such conspiracy. Nor can such a conspiracy, if there were any, succeed no matter who the conspirators are. In the view of Labour no one can deprive India of her right to freedom if she demands it with the combined strength of a united people. If India's independence is in the balance, it is because of disunity among Indians. The enemies of India's independence are Indians and no others.

#### LABOUR AND WAR

Labour's attitude to this war is framed after a full realisation of what is involved in the war. Labour is aware that it must win the war as well as peace, if war is to be banished from the world. Labour is aware that it is not enough to defeat the Nazis and to destroy the possibilities of the New Nazi Order coming into being. Labour is aware that, if this is a war against the New Nazi Order, it is not a war for the Old Order. It is a war on both the Old Order and the Nazi Order. Labour is aware that the only compensation for the cost of this war is the establishment of a New Order in which liberty, equality and fraternity, will not be mere slogans but will become facts of life. But the question of all questions is how can the hope of this New Order materialise? On this question Labour is quite emphatic. Labour insists that for the materialisation of all these ideals there is one condition that is primary - and ~~this~~ that is success in the war. Without success in the war there can be no self-government and self-determination for India. Without victory in the war, independence will be idle twaddle. This is the reason why Labour is determined to win this war.

#### TWO FEATURES OF PRESENT WAR

This war is full of potentialities for good. It promises to give birth to a New Order. Labour finds that this war is different from other wars. There are two features which distinguish it from other wars. In the



first place, this war is not altogether a war for the division of the world's territory amongst the most powerful nations of the world as the preceding wars have been. In this war, the division of the world's territory is not the only cause. This is a war in which there is a conflict of ideologies relating to the forms and systems of Government under which humanity is to live. In the second place, this war is not altogether a mere war as other wars have been. Its object is not merely to defeat the enemy, to march on to his capital and to dictate a peace. This war besides being a war is also a revolution - a revolution which demands a fundamental change in the terms of associated life between man and man and between nation and nation. It is a revolution which calls for a revision of the terms of associated life - a replanning of the society. In this sense it is a people's war, and if it is not, it could and should be made into a people's war.

Given these facts, Labour cannot be indifferent to this war and to its outcome. Labour is aware how the efforts in the past for the establishment of a New Order have been frustrated time and again. That is because democracy, after it was brought into being, was left in Tory hands. If the people of the world take care to see that this mistake is not committed again in future, Labour believes that by fighting this war and establishing the New Order the world can be made safe for democracy.

#### CORRECT LEADERSHIP

The country needs a lead and the question is who can give this lead. I venture to say that Labour is capable of giving to the country the lead it needs. Correct leadership apart from other things requires idealism and free thought. Idealism is possible for the Aristocracy, though free thought is not. Idealism and free thought are both possible for Labour. But neither idealism nor free thought is possible for the middle-class. The middle-class does not possess the liberality of the Aristocracy, which is necessary to welcome and nourish an ideal. It does not possess the hunger for the New Order, which is the hope on which the labouring classes live. Labour, therefore, has a very distinct contribution to make in bringing about a return to the sane and safe ways of the past which Indians had been pursuing to reach their political destiny. Labour's lead to India and Indians is to get into the fight and be united. The fruit of victory will be independence and a New Social Order. For such a victory all must fight. Then the fruits of victory will be the patrimony of all, and there will be none to deny the rights of a united India to share in that patrimony.

("Indian Information", January, 1, 1943.)

The following is the full text of the broadcast talk of Mr. H.C. Prior on "Government and Labour" given on 7-12-1942 from the Delhi Station of A.I.R.:-

Today I am giving the third of a series of talks by representatives of Government on labour matters - and my subject is "Government and Labour". In the first two talks reasons have been given why Labour is, and must remain, determined to aid by its work the task of the allied nations, the defeat of the Nazis, and the establishment of that peace which (in the words of the International Labour Organization) "can be established only if it is based on social justice". That is Labour's aim and this evening I want to try and explain to you the steps which Government is taking to help labour to work alongside of Government and employers to achieve that end.

2. I must explain first what I mean by Government. In this vast

country of India there are three distinct types of Government - the Central Government, Provincial Governments, and State Governments - all three have responsibilities in Labour matters, all three - as I shall subsequently show - now meet together to evolve a common policy and the manner of carrying it out, but it is of the Central Government that I must mainly speak and of what they are trying to do and of the broad lines of policy they are trying to develop. That policy must in war time, and in view of the avowed policy of labour and of us all, clearly be a policy ~~and must be~~ conducive to maximum war production, and I think it can be summed up in these few words -

"Full and free contact between Government, Employers, and Labour, steady production and fair conditions of work for all."

That is a comprehensive policy and I intend to discuss separately the two parts into which it falls.

3. First, "full and free contact between Government, employer, and labour" - or, to use a different phrase, collaboration and the development of collaborative machinery. Collaboration is the very antithesis of the Fascist creed; it involves contacts, consultation and discussions. The collaboration I refer to is tripartite, between Government, employer and labour. Such collaboration is however not possible unless there is full and free contact between employer and employee - such contact is essential to industrial progress and from such contact follows naturally collective bargaining and consultation between organised bodies of employers and employed. But if such consultation is to be secured it is necessary that labour should develop a sound trade union movement. The development of trade unions on sound lines ensures the development of contact between employer and employee. By such development labour can be more easily bring its point of view to the notice of the management, while the management itself can explain matters more easily to its labour. India's trade union movement is not yet strong and many trade unions that exist are not affiliated to the main All-India Associations - but Government recognise that the development of trade unionism means more opportunities for contact and they are therefore fully committed in their policy to the encouragement of a sound trade union movement. Such a movement will encourage the settlement of matters that arise for decision directly between employer and employee - that is the ideal - but there are inevitably other matters which at times need attention and which may become the responsibility of Government.

Many of these matters, the settlement of individual disputes and such like are (except in the case of Central Government undertakings) the responsibilities of the provinces dealt with by their Labour Commissioners, but others may raise matters of policy which have an India-wide importance and which may require central guidance and central legislation. In such matters the Central Government have always had the advantage of advice from Provincial Governments, but they have recently adopted two methods of securing further contacts so as to have the earliest information and the best advice to help them in dealing with such problems.

The first of these methods is the appointment of Labour WELFARE Officers - Mr. Nimbkar and his assistants. These officers will help Government to keep contact with labour and with employers; they are not there to settle any individual disputes that may have arisen between employers and labour - that is for the Governments concerned, but they are there to explain to labour and to employers what Government is doing, and to bring to the notice of Government what employers and labour are thinking.

The second method which Government have adopted for maintaining the closest contact with labour problems is the establishment of the Tripartite Plenary Conference and the Standing Labour Committee. This is an important development, one following closely the lines of the International Labour Organisation at Geneva, and at our meeting of the Standing Labour Committee last week our Chairman, the Labour Member, read out the following message from the Director of the International Labour Office:-

"Have read with great interest of establishment Tripartite Organisation. Desire offer warm congratulations all parties concerned accomplishment this important step and assure you International Labour Office will be glad to give any possible assistance new organisation which cannot fail influence whole eastern world." The Plenary Conference is composed of representatives from Provinces, States, Employers and Employees, who will sit round one table and consider all matters concerning labour of all-India importance - it is essentially a tripartite in character and follows in many ways the Geneva precedent. It is a purely advisory body, but its deliberations labour will be able through their approved representatives to bring their points of view prominently to the notice of Government (whether Central, Provincial or State) and of employers. The Plenary Conference is however a large body and cannot meet very frequently, and there has therefore been created a Standing Labour Committee - smaller in size but having a similar tripartite composition. We had last week the first meeting of that Committee, and prominent labour leaders and representatives of ~~Government~~ employers sat together and discussed with representatives of Government the various problems of labour conditions in war-time, and I can assure you that those discussions were of the greatest interest and value, and will give us here in the Labour Department much to think about and act upon.

That then is one side of our policy - full and free contact by the development of sound trade unionism and collaborative machinery - but such development is not an end in itself, it is only a means by which to secure what I have referred to as the second half of our Government policy - continued production and fair conditions of work for all.

Mr. Nimbkar in his talk gave some account of the statutory labour code of this country. He has shown that that code is a fairly advanced labour code, and I do not propose to traverse that ground again. But I want to deal more with the manner in which Government is trying to adjust the conditions of that labour code to the conditions of war industry. War industry means a large increase in industrial output, and it is certain that where such an increase occurs some adjustments in conditions, some disputes and some causes of friction between labour and employer must inevitably occur. But the necessity of maintaining war production makes it essential to devise some system to ensure that disputes when they arise are settled without the necessity of resort to direct action. Any such system must give time to the interests concerned to get together and understand each other's point of view and attempt to arrive at a settlement. It must give time to Government to consider whether there are matters that can suitably be referred to some outside authority for an authoritative opinion. The procedure which Government have laid down provides for all of this - it requires a period of notice within which discussion on and conciliation can take place; it requires a definite formulation of grievances and a period of time within which Government can consider whether it is advisable to refer those grievances to adjudication. It gives, therefore, the employee a double benefit - it prevents him from the loss of wages that so often follows direct action which ultimately proves unnecessary, while it gives him the opportunity of having any legitimate

grievances properly and quickly considered.

But though the procedure for a quick settlement of disputes is an important part of Government's policy, an even more important part is that of ensuring that conditions of work are such that labour can reasonably be expected to carry on working without resorting to disputes. Where, for instance, maintenance of war production necessitates exemptions from certain provisions of the factory laws, or some restrictions on movement of labour, it is necessary to be sure that such exemptions and restrictions do not impose hardship on labour- and provisions for this purpose are provided in our code.

Again a period of industrial expansion inevitably means some increase in prices, and it is clear that, while care must be taken not to create an increased demand for an unexpanding supply of consumption goods, the lowest category of wage-earner must as far as possible be protected against any lowering of his standard of living. This means "dearness allowance" and the problem of dearness allowances is one which is constantly engaging the attention of Government. It was discussed at the meeting of the Standing Labour Committee to which I ~~xxx~~ ~~xxxxx~~ have referred where frequent reference was made to the advisability of arriving at some measure of uniformity in dearness allowance policy.

Another matter of almost equal importance is to ensure to workers an adequate food supply. This too is engaging the constant attention of Government. They have asked Employers Associations to advise their ~~members to open fair-price grainshops~~ and numbers of such shops have been opened, and Government for their part are doing what they can to secure for such fair-price grainshops adequate stocks of grain. Employers must of course continue to use their best endeavours to secure grain for these shops, but where this proves impossible Provincial Governments have been asked to do what they can to help.

Again some two years ago when the dangers of war were still far from the coasts of India Government recognised their responsibility for seeing that under war conditions workers in factories were adequately protected from the risks of air raids. Adequate ~~protection~~ <sup>protection is</sup> the Government policy and Government have provided a team of experts to ensure that adequate protection designed on the latest approved lines is available for all.

These are some of the matters specially concerned with war industry which constantly claim our attention, but Government are not forgetting their continued responsibility for improving their peacetime code. Sickness may occur in war as in peace and we are pushing on our examination with the possibilities of a scheme of sickness insurance. A proposal to introduce legislation to provide for some holidays with pay is under examination, and it is in matters such as these that we hope that the collaborative machinery we have now set up will enable us to achieve more rapid progress.

The war has led to a spread of collaboration in labour matters throughout all countries that oppose the Fascist powers. I think I have shown that India is sharing with other countries in that progress which we all hope will lead the way to a true "peace based on the principles of social justice."

(Reproduced from a copy of the text supplied to this Office by Mr. Prior).

C 6/2/34

INTERNATIONAL LABOUR OFFICE  
INDIAN BRANCH

Report for February, 1943.

N.B. Each section of this report may be taken out separately.

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NATIONAL LABOUR LEGISLATION ✓

British Baluchistan.-

Extension of Weekly Holidays Act, 1943

The Governor General has gazetted a notification that the Weekly Holidays Act, 1942, has been extended to British Baluchistan.

(Notification No. 14 F. dated 2-2-1943,  
The Gazette of India, Part I, Section 1,  
dated 6-2-1943, page 174.)-

Madras.-

Notification of Accidents under Factories Act.

The Government of Madras has gazetted an amendment to the Madras Factories Rules in order to add a section (No. 25A) which stipulates that the manager of a factory shall notify the Inspector of Factories as soon as possible or within fifteen days from the date of discharge of the worker of all accidents causing any of the following injuries to workers, namely: (a) Poisoning due to handling chemical products; (b) injuries caused by the inhalation of dust, gas or fumes; (c) ulceration due to chrome or injuries consequent on such ulceration; (d) ulceration due to X-rays or other sources of radiant energy or to welding operations; (e) anthrax infection; and (f) glass-workers' cataract.

(Fort St. George Gazette Supplement to  
Part I, dated 9-2-1943, page 3.) ✓



Industrial Disputes in British India during the Quarter ending  
31-3-1942. ✓

According to the statistics published by the Labour Department, Government of India, regarding industrial disputes in British India during the quarter ending 31-3-1942, the total number of disputes during the period was 184 involving 233,694 workers and entailing a loss of 1,941,372 working days.

Provincial Distribution.- During the period under review, there were 68 disputes in Bengal involving 107,491 workers and entailing a loss of 927,739 working days. Next come Bombay with 65 disputes involving 39,645 workers and entailing a loss of 382,065 working days; C.P. and Berar with 18 disputes involving 29,701 workers and entailing a loss of 66,710 working days; Madras with 10 disputes involving 28,927 workers and entailing a loss of 284,611 working days; the Punjab with 8 disputes involving 270 workers and entailing a loss of 602 working days; the United Provinces with 7 disputes involving 9,181 workers and entailing a loss of 56,530 working days; Assam and Delhi with 3 disputes each involving 1,744 and 16,540 workers and entailing losses of 5,876 and 216,269 working days respectively; and Bihar and Sind with 1 dispute each involving 115 and 80 workers and entailing losses of 690 and 280 working days respectively.

Classification by Industries.- Classified according to industries, there were 76 disputes in ~~cotton~~ cotton, woollen and silk mills involving 107,461 workers and entailing 705,207 working days; 23 in jute mills involving 22,198 workers and entailing a loss of 811,460 working days; 14 in engineering workshops involving 8,864 workers and entailing 83,192 working days; 2 in railways, including railway workshops, involving 6,058 workers and entailing a loss of 12,638 working days; and 1 in mines involving 128 workers and entailing a loss of 200 working days. In all other industries together, there were 68 disputes involving 28,985 workers and entailing a loss of 328,675 working days.

Causes and results of Strikes.- Of the 184 strikes, 96 were due to questions of wages, 44 to those of bonus, 22 to those of personnel, 2 to those of leave and hours and 20 to other causes. In 35 of the disputes the workers were completely successful, in 48 partially successful and in 89 unsuccessful. 12 disputes were in progress on 31-3-1942. ✓

Conditions of Work of Railwaymen: Dearness Allowance, Service Condition  
Extensions of Service, Communal Unions: Cut Motions in Central  
Assembly. ✓

(1) Mr. N.M. Joshi's Motion re. Dearness Allowance.- In the course of voting on railway demands in the Central Assembly, several cut motions were moved to discuss the grievances of railwaymen. Mr. N.M. Joshi moved a cut motion on 23-2-1943 to discuss the grievances of railwaymen in respect of dearness allowance. He objected to the scheme of dearness allowance under which railwaymen are classified according to localities and scale of pay. He wanted abolition of these categories and urged a uniform flat-rate of dearness allowance to be paid to workers with pay up to Rs. 250. Mr. Joshi further complained that there was no relation between the rate of dearness allowance and cost of living and suggested the creation of a machinery such as suggested by the Rau Committee, by which dearness allowance could be increased automatically with an increase in the cost of living. As for the proposal to pay dearness allowance in kind and not in cash in order to prevent inflation of currency, Mr. Joshi said that inflation was due to a wrong currency policy and not because dearness allowance was paid in cash. Industrial workers were small in number as compared to the total population of India and their payments would not affect the currency position appreciably.

Mr. Lalchand Navalrai complained about the irregular supply of food grains and the irregular payments of wages made to railway employees.

Mr. Frank Anthony urged that benefits of dearness allowance should be extended to railwaymen drawing salaries up to Rs. 500 per month. He also drew the attention of the Government to the lack of educational subsidy to railwaymen on the South Indian and on M.S.M. Railways.

Sir Edward Benthall's Reply.- Replying to the motion, Sir Edward Benthall, War Transport Member, Government of India, said that certain modifications in the scale of dearness allowance in a favourable direction were under discussion, but he was not in a position to announce them on that day. Government's proposals would shortly be discussed with representatives of railwaymen and a decision would be announced. His department, he emphasized, was always anxious to meet the legitimate demands of workers.

Mr. Joshi withdrew his motion.

(2) Mr. Frank Anthony's Motion re. Service Conditions.- Complaint against the manner in which appeals of railway employees in the matter of service, emoluments, etc., were dealt with was made by Mr. Frank Anthony on a cut motion. Sir Edward Benthall considered the motion as an attack on the impartiality of the Senior Railway Staff and said that from his examination of the situation he was convinced that the existing system was sound and he did not believe that the provision of officers with judicial experience was desirable in the railway administration. The proper way was to make adequate regulations and trust the officers to carry them out.

Mr. Anthony withdrew his motion.

(3) Mr. Nauman's Motion re. Recognition of Muslim Unions.- The Central Assembly rejected by 42 votes to 12 Mr. Nauman's cut motion to urge the recognition of railway Muslim employees' unions and associations. Mr. Nauman argued that in the peculiar conditions of India the establishment and development of communal unions were not only desirable but necessary in the interests of labour and the administration. He complained that existing non-Muslim unions were influenced by the Congress and manned by Hindus.

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Sir Hugh Raper, Transportation Member, Railway Board, explaining the Government's attitude, said that under the rules these Government servants' unions should, firstly, consist of a distinct class of Government employees and secondly, all Government employees of the same class must be eligible for membership. The question of recognition of associations of Government servants formed on a communal basis had been under consideration many times, but the second rule referred to above definitely ruled out a communal union. Government felt there was an excellent case only for unions being organized of a particular class of workers.

Mr. N.M. Joshi challenged the statement that existing trade unions were dominated by the Congress, and declared that it was untrue. There were no Hindu or Christian interests to be served in the Trade Union Movement. Muslim workers themselves had not shown a desire to have a separate organisation. If members of the Muslim League Party took more interest in Muslim workers, they would find that the economic interests of Muslim and Hindu workers were identical.

Sir Edward Benthall replying said that he recognised that the demand made in the cut motion was a natural consequence of the present policy of the Muslim League, and he realized that they felt very strongly in this matter. The question of communal unions, he went on, had been considered as lately as 1941, and it was a decision of the Government not to change the policy of non-recognition of communal unions. He declared that he was not satisfied by the speeches from the Muslim League benches. As regards promotion, Mr. De Souza had investigated complaints of Muslims having been wrongly passed over and had given his findings. Sir Edward reiterated the Government's policy of opposition to communal unions, whether they be of Hindus, Muslims or Europeans.

(4) Mr. Yusuf Abdulla Haroon's Motion re. Extensions of service. -  
Mr. Yusuf Abdulla Haroon moved a cut motion to discuss the extensions given to the employees in the railway services, and said that they adversely affected the promotion of junior officers, especially Muslims. As things were going, the Muslims in junior scale would never get a chance even after the war when those on active service would return.

Mr. N.M. Joshi supported the motion on the ground that superannuated employees should not be given extensions, but juniors should be promoted. Mr. Nauman said that the question should be examined from a non-communal point of view as it affected all.

Sir Hugh Raper, Member, Railway Board, said that the number of these officers granted extensions was very small and the number of additional officers required was larger, and therefore the extensions did not really affect promotions. The House was under the erroneous impression that officers in junior scale had actually suffered or their claims to promotion had been ignored. He further repudiated the charge that any discrimination was made against the Muslims.

The motion was lost without a division.

(The Hindustan Times, 24 and 25-2-43) ✓  
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Tea Plantation Industry to be brought under Factories Act:  
Proposal Contemplated by Government of India.✓

Conditions of work in tea plantations are being examined by the Hon. Dr. B.R. Ambedkar, Labour Member, Government of India, on whom a deputation of the tea planting industry waited, towards the close of January, 1943. The proposals being considered are understood to include the application of the Payment of Wages Act and the Factories Act to the tea industry, fixing of minimum wages and securing of freedom of speech and association to plantation labour.

The tea industry is one of the industries receiving certain statutory advantages from the Government of India and Government therefore has the right to lay down fair conditions of labour in it as in protected industries

(The Times of India, dated 1-2-1943).✓

## ECONOMIC CONDITIONS

6

Meeting of the Governing Body of the Council of Scientific and Industrial Research: 4 Research Laboratories and 25 new Research Schemes sanctioned. ✓+

A meeting of the Governing Body of the Council of Scientific and Industrial Research was held at Bombay on 3-2-1943, the Commerce Member, the Hon. Mr. N.R. Sarker, presiding. The meeting decided to establish four new industrial research laboratories and considered plans and estimates for them, and a committee was appointed to go into the details. The laboratories are: A National Chemical Laboratory, a National Physical Laboratory, a Fuel Research Laboratory and a Metallurgical Research Laboratory.

Increase in Government Grant to Council.- It is understood that, in view of the fact that the Council's research programme has considerably expanded, the Government of India grant has been raised to about Rs. 2.5 million from Rs. 1 million.

Sanction of New Research Schemes.- The Governing Body considered 61 existing research schemes for their continuation in the next financial year; it also sanctioned about 25 new research schemes for the next year. Among the new schemes are: production of industrial enzymes; determination of the constitution of some commercial dyes and the amount of the ~~parent~~ parent dyes therein; scheme on briquetting of coals; manufacturing of sulphur black from benzene and naphthalene; utilisation of sewage and trade wastes of Ahmedabad; cold hydrogenation of soap; preparation of ~~chloro-benzene~~ ~~chloro-benzene~~; production of rubber-lined equipment for chemical industries; and preparation of butadiene by the action of acetylene and ethylene for synthetic rubber. Another research scheme sanctioned by the Governing Body is stated to be a scheme relating to the special manufacture of radio valves in India.

It is also understood that the Governing Body is laying aside about Rs. 350,000 for the continuation of its existing research schemes, and about Rs. 200,000 for starting new research schemes.

Provident Fund for Research Staff.- The Governing Body intends establishing a contributory provident fund for the employees of the Council.

(The Times of India, 5-2-1943.) ✓+

3rd Session of All-India Manufacturers' Conference, Baroda, 13 and 14-2-1943. ✓

The 3rd session of the All-India Manufacturers' Conference was held at Baroda on 13 and 14-2-1943, Sir M. Visvesvaraya presiding.

In his presidential address, Sir M. Visvesvaraya outlined the following industrialisation plan: (1) Making of arrangements for establishing at least two heavy industries in the eleven Indian provinces; (2) the preparation of plans of an intensive character to develop minor and subsistence industries in every district; and (3) the promotion of all classes of industries, including the above, by means of a "Five-Year" Plan. Referring to post-war reconstruction, he said that it needed special attention in the best interests of both the administration and the general public. He stressed the need to equip the country adequately for future economic progress and said: "For this the establishment of an economic council or a development board composed of representative business men and citizens is an immediate necessity."

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The following are some of the more important resolutions adopted by the Conference:-

(1) Industrial Finance.- The resolution on industrial finance stated that the unfortunate position so far as industrial finance is concerned is not so much due to the inadequacy of capital resources in the country as to the absence of a sympathetic policy on the part of the Government and to the lack of proper organisation and co-ordination amongst principal credit and financing institutions engaged in the financing of industries. It urged the Government to adopt a favourable and encouraging monetary and fiscal policy and to amend the Indian Insurance Act, 1928, with a view to allowing adequate freedom of investment to insurance companies by relaxing the present rigid and conservative restrictions placed upon their investments.

(2) Post-War Reconstruction.- The resolution on post-war reconstruction urged the setting up of a central post-war reconstruction board consisting of representative industrialists, business men, economists and scientists to work out "a post-war economic reconstruction which would not lead the country back to pre-war conditions but would ensure a better standard of living and economic security to the people". The establishment of at least 2 heavy or key industries in each province and at least one in each major Indian State in keeping with the economic conditions and resources of the area and provision of adequate tariff protection to industries in post-war India were also suggested.

(3) Labour Welfare.- A resolution moved by Dr. J.M. Kumarappa requested industrialists to introduce labour welfare schemes.

(4) Price Control.- The resolution on price control suggested that the various economic controls instituted by the Government should be reconstituted on a scientific basis and that "instead of mere fixation of price ceilings for a few commodities, which exposes the civilian population to great hardships and industries to the risk of having to close down, controls should be made comprehensive enough to include all essential commodities and exhaustive enough to envelop all possible stages of production and distribution.

(The Statesman, 8 and 15-2-1943.) ✓

#### Cotton Textile Mill Industry in India during 1941-42. ✓

The Millowners' Association, Bombay, has recently issued its annual statement regarding the progress of the Indian textile industry during the year ended 31-8-1942. The salient features of the Statement are summarised below:

Number of Mills.- The total number of equipped mills in India (excluding Burma) on 31-8-1942 was 396 (excluding 23 mills in course of erection or recently registered) as against 390 on 31-8-1941. The number of mills in Bombay City and Island increased from 64 in the previous year to 66 during the year under review. The number of mills in Ahmedabad decreased by 1 to 74. There was no change in the number of mills in Rajputana, Berar, the Central Provinces, Bihar and Orissa, Hyderabad State, Bengal, Delhi, Travancore, Mysore and Pondicherry. The number of mills increased in the U.P. by one to 27, in the Bombay province exclusive of Ahmedabad and Bombay City and Island by one to 63, in Central India by one to 17, in the Punjab by 1 to 8 and the Madras Province by 1 to 64. Of the 396 mills in the country, 9 were partially or completely idle; of these 9 mills, 2 were in the Bombay Province exclusive of Ahmedabad and Bombay City and Island, 2 in Ahmedabad, 2 in Bengal, 1 in Delhi and 2 in Madras.

Number of Spindles and Looms.- The total number of spindles in the equipped mills of the country stood in the year ended 31-8-1942 at 10,026,425 as against 9,961,178 in the previous year. The total number of looms was 200,170 as against 198,574. In Bombay City and Island the numbers of spindles and looms increased from 2,789,080 and 65,292 in 1940-41 to 2,819,832 and 66,120 during the year under report. In Ahmedabad the number of spindles increased from 1,782,968 to 1,791,789 but looms decreased from 43,513 to 43,424. In the Bombay Province exclusive of Bombay City and Island and Ahmedabad, the numbers of spindles and looms increased from 1,248,888 and 26,094 to 1,250,182 and 26,513 respectively. In Madras the numbers decreased from 1,451,684 and 6,892 to 1,449,696 and 6,163 respectively. ~~But~~ In Bengal the numbers of spindles and looms increased from 458,816 and 10,615 to 472,284 and 10,712 respectively. In U.P. the number of spindles decreased from 749,570 to 745,556 but the number of looms increased from 12,273 to 12,526. In Central India, the numbers of spindles and looms increased from 384,636 and 10,911 to 385,284 and 11,028 respectively. In the Punjab, the numbers of spindles and looms were 105,760 and 2,707 as against 105,208 and 2,598 respectively in the previous year; in Mysore 162,448 spindles and 2,907 looms as against 162,028 and 2,762 respectively; in the Central Provinces, 302,906 spindles and 5,299 looms as against 302,846 and 5,300 respectively; in Rajputana, 113,748 spindles and 2,715 looms as against 98,446 and 2,301 respectively; in Delhi, 113,324 spindles and 3,172 looms as against 113,032 and 3,149 respectively; in Hyderabad State, 120,888 spindles and 2,454 looms as against 120,460 and 2,389 respectively; in Berar 69,048 spindles and 1,484 looms as against 69,048 and 1,484 respectively; in Pondicherry, 84,960 spindles and 1,932 looms as against 87,748 and 2,057 respectively; in Bihar and Orissa, 27,040 spindles and 744 looms as against 25,040 and 674 respectively; and in Travancore 11,680 spindles and 300 looms as against in the previous year.

Number of Operatives.- The average number of operatives employed daily on day-shift work was, in 1941-42, approximately 480,447 as against 459,509 in 1940-41. Particulars of the numbers employed in night-shift work are not available.

Capital Invested.- The total paid-up capital of the industry on 31-8-1942 amounted to Rs. 464,893,238 as against ~~Rxxxxxx~~ Rs. 447,796,708 on 31-8-1941.

Activity of Mills.- During the year under review the industry consumed 2,370,361 candies (of 784 lbs.) of cotton against 2,125,511 candies in the previous year. The average number of spindles working daily during the year was 9,165,812 out of a total of 10,026,425 erected. In the previous year the corresponding figures were 9,083,046 and 9,961,178 respectively. Of the 200,170 looms installed, an average of 184,665 were at work daily during the year as against 198,574 and 184,258 respectively in the previous year. The above quoted figures of spindles and loom activity do not include night-shift working. The figure of cotton consumed, however, includes night and day consumption. (Summarised from Statement relating to the progress of cotton textile mill industry in India for 1941-42 forwarded to this Office by the Millowners' Association, Bombay.) ✓

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Railway Budget for 1943-44. ✓

The Railway Budget for 1943-44 was presented in the Central Assembly on 15-2-1943 by Sir Edward Benthall, Member for War Transport, Government of India. The results of the financial working of railways for 1942-43 are indicated below:-

	<u>1942-43</u>		<u>1943-44</u>
	<u>Original Estimates Rs. in millions</u>	<u>Revised Estimates Rs. in millions</u>	<u>Estimates Rs. in millions</u>
Receipts	1302.7	1492.5	1500.0
Expenditure	766.8	865.2	881.4
Expected surplus	279.5	362.8	360.4
Payment to Govt. Revenues.		201.3	271.0
Railway Depreciation Fund.		821.9	840.0

Sir E. Benthall's Speech:- Railway Labour.- In the course of his speech, Sir Edward paid a tribute to the hard work and loyalty of the staff, numbering 758,000, and referred to certain changes in their conditions of work brought about by the war. About 126,000 railway employees in the danger areas have voluntarily enrolled in the Defence of India Railway Force. Everything necessary for their security has been provided by the A.R.P. Organisation of the railways.

Workers and Increased Cost of Living.- Dealing with the steps taken by Railway Management to help workers to meet the increased cost of living, he said: "In addition to a dearness allowance, numerous other arrangements have been made to assist the railway workers, such as family evacuation concessions and allotments, emergency allowances, educational concessions, war injury relief, etc. Increased money payments help, but what is of importance to staff today is not so much money but what money can buy, and, above all, the necessities of life such as foodstuffs, clothing, kerosene and fuel, which, mainly on account of sheer hoarding or profiteering, have become so costly and difficult to obtain. The grant of additional dearness allowance will be of no avail if the articles are not forthcoming. There are two ways of dealing with this problem, either to continue to give the lower-paid staff increased dearness allowance to meet the rising cost of living, or to see that the rise in the cost of living of the railwayman is, as far as possible, stabilized by ensuring that the necessities of life are made available to him at reasonable prices. On the railways we are combining the two courses. We have given a dearness allowance, and we have opened grain shops. It is our policy to supply through these shops, on an increasing scale, not only food-grains, but also other necessities of life at prices which will go far to stabilize the cost of living of the workers, the difference between these prices and the actual cost being borne by railways. This will not only afford some relief to the class of workers to whom dearness allowance does not apply but - and this is a matter of supreme importance - by creating a check on the rising spiral of wages and prices in one important sphere, will tend to retard the process of inflation in the country as a whole. The organisation necessary cannot, of course, be conjured up in a night, but all railway administrations have been asked to treat this matter as one of urgency. On some railways a good beginning has already been made, and it is hoped that the effects will make themselves felt



shortly over a wide area. In the meantime, special arrangements have been made to secure priority for the necessary supplies of food-grains."

**Locomotive Manufacture.-** A large programme of wagon construction in India is in hand. The augmentation of the broad gauge stock is a matter of increasing urgency. So far, India has placed orders for 9,973 broad gauge wagons, of which 265 have been received and about 6,207 are expected by the end of 1943-44. Of metre gauge wagons 736 have been ordered all of which are expected soon. Pressure has been maintained on the Governments of the United Kingdom and the United States for the supply of broad gauge locomotives and, although some of the outstanding orders on England have been suspended, arrangements have now been made for the supply of 40 heavy goods engines from America. Deliveries of these are expected to commence in June, 1943. Indian railways are also to receive 12 metre gauge heavy goods engines from England and 80 from America. It is hoped that the 40 heavy goods engines for the broad gauge will be followed by 145 more goods engines but the date, when these may be expected, has yet to be settled. It has been requested that arrangements be made for the supply of a further 150 broad gauge locomotives during 1944. Plans are already actively being prepared to set up a locomotive construction shop in India during the war, if physically possible, although this is unlikely owing to the difficulty of securing plant and raw material, and, if not, as part of the immediate post-war reconstruction plan. Special attention is being given to locomotive repair, in order to secure that the maximum number of locomotives are at work on the line at any given time.

**Transport of Food.-** At the moment, the question of food supply is uppermost in the public mind. But India is not facing any new situation. The railways and the departments of Government concerned with food had precisely the same problem to face during and after the last war, with this difference that in 1918-19 there was a failure of the harvests to the extent of 20 million tons. This time the actual shortage of foodstuffs in the country is not of large dimensions, but the effect of the comparatively small shortage which exists, combined with serious maldistribution, raises a serious problem. In the first six months of the current year the railway transported approximately the same tonnage of grains and pulse as in the previous year, over 5 million tons. Movements of sugar and salt by rail were in considerable excess of the previous year. The Railway Board has been alive to the urgency of the problem of transport of essential food supplies for civil population and, in close consultation with the Priorities Organisation of the War Transport Department, has for the last six months been giving special priority to the movement of foodstuffs. Particular attention has for some time been given to the expediting of special consignments to deficiency areas and this will continue. So long as the need arises, foodstuffs will be moved in high priority.

(The Hindustan Times, 16-2-1943.) ✓+

**Development of Industries: Commercial Exploitation of Surplus Raw Materials and Waste Products: Scientific and Industrial Research Council's Schemes.** ✓+

The Council of Scientific and Industrial Research, India (vide pages 14-15 of our September 1942 report) has been able to make available, as a result of its research during the last two and half years, about 25 completed schemes for commercial exploitation. This is besides the large number of schemes which it has made available for direct war purposes which cannot be revealed for obvious reasons. These schemes have given an impetus to industrial development in various directions.

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The industries mainly benefited are the vegetable oil, plastic, chemical, paints and varnish, ~~and~~ sulphur and lubricants industries.

New Industrial Products.- The industrial processes and products now under exploitation comprise anti-gas ~~like~~ cloth, vegetable oils as fuels and lubricants, laminated paper board, air-foam solution, Philwan stoving enamel and allied products, luminous paints and pigments, substitute for glass, silver and glossy transparent paper, solid fuel, steam-proof plastic powder composition, oil silks, water-proof painting for Indianite roofing slabs, jute boards, cloth and jute containers, substitute for cork, sulphur, identity discs, graphite crucibles, oleic and stearic acid, potassium chlorate, urea and seaming varnish. Plastic tooth-paste and collapsible tubes in general, oil plastics, Dettol type of disinfectants, ionone, atoxyl and carbarsone are shortly to be developed.

The 14 non-technical pamphlets already published describe processes under exploitation. The following new non-technical notes are ready and offers have been invited: (1) Dye extracts and dyed shades on wool and cotton from the barks of Terminalia Arjuna and Butea Frondosa. (2) Dye extracts and dyed shades on wool from tamarind seed testa. (3) Extracts of Annatto dye for colouring vegetable ghee, milk, ice-cream, aerated waters and food products in general.

Oil and Lubricants Industries.- Some of the products are of direct use for war or civil defence purposes such as anti-gas cloth, air-foam solution, seaming varnish, solid fuel, identity discs, water-resistant non-inflammable cloth, coloured smokes, vessicants, anti-gas tapes, etc. Most of them are useful as substitute for articles the imports of which have become partly or wholly eliminated as a result of the war. Particular mention may be made of the substitutes for cork and window glass. An important aspect of the new products is that many of them utilise raw materials available in the country or materials which are considered waste products.

As a result of the war, export markets for Indian oil-seeds became scarce or non-existent and the problem was what to do with surplus production. Further, due to war developments and requirements, mineral oils were not available to the extent needed as lubricants or fuels for civilian consumption. The researches of the Council on the uses of vegetable oils for these purposes, given to all the oil companies for exploitation, have shown a way to the profitable use of surplus oil-seeds and to the conservation of mineral oils for essential war purposes. Various grades of combined vegetable and mineral oils, in proportion ranging from 20 to 88 per cent. have been evolved which can be utilised as lubricants or fuels. Most of the blends have a vegetable oil content of 40 to 50 per cent. which has yielded satisfactory results. One oil company is manufacturing more than 8,000 tons of one blend of the new oils per year. Another has promised a grant to the Council's Industrial Research Fund after it utilises these oils on a commercial scale.

Substitutes for Glass, etc.- Approximately 100,000 gallons of air-foam solution have been produced by a Calcutta and Delhi firm and the production has been purchased by the Government and by the public. The product will soon be manufactured by certain oil firms also.

Philwan stoving enamel and allied products are being produced by a firm at the rate of nearly 200 gallons a day. Another firm has manufactured 280,000 square feet of glass substitute, part of which has been sold to the public. An order for 1,600,000 square feet of this material is still pending manufacture by this firm.

Thousands of tins of solid fuels have been manufactured. Nearly 15 millions of identity discs have already been manufactured by one Calcutta firm on formulae ~~xxxxxx~~ evolved in the Director's laboratory.

and another firm will soon be in production.

The Government of Mysore is manufacturing urea, a product of utmost importance in the plastic industry. Formaldehyde and phosphorus have been manufactured at the Indian Institute of Science, Bangalore, and pilot plants for making titanium dioxide are in operation.

Numerous products useful for the R.A.F. and the American Air Force have been developed and even utilised on a large scale.

("Indian Information", New Delhi, dated  
15-1-1943.) ✓

India's Latent Mineral Resources: Dr. C.S. Fox's Plea  
for Intensive Exploitation. ✓

In his address at the annual meeting of the Royal Asiatic Society of Bengal at Calcutta on 1-2-1943, Dr. C.S. Fox, President of the Society, sketching "the background of industrialisation for the utilisation of India's minerals", pointed out, inter alia, that India had never possessed organisations like the Bureau of Mines in the United States or Canada, whose essential duties were mineral research to show the way for mineral development. Only about 500,000 square miles of India could have been examined in any detail during the 97 years of its work by the Geological Survey of India, and there remained over a million square miles still to scrutinise. There was a great deal to do and the personnel and equipment required must be on lines similar to those adopted in Soviet Russia. Dr. Fox was of opinion that there was every hope for a profitable return for State expenditure on mineral development, as was shown by figures. About 1902, the total value of the annual production of minerals, ores, etc., in India was estimated at roughly Rs. 50 millions, while in 1940 the figure was computed at nearly Rs. 400 millions - that is eight times more. Another factor for consideration was that imports into India were such that approximately half the goods were made from minerals, ores and related substances, and that a great proportion of such materials could be obtained in this country.

(The Amrita Bazar Patrika, 5-2-1943.) ✓

Budget of Government of India for 1943-44 ✓

The Budget of the Government of India for 1943-44, excluding the railways, was presented to the Central Assembly on 27-2-1943 by Sir Jeremy Raisman, the Finance Member. The budget disclosed a revenue deficit of Rs. 946.6 millions for 1942-43 and a prospective deficit of Rs. 602.8 millions next year on the basis of existing taxation. The fiscal proposals include a rise in income tax and super-tax for incomes over Rs. 5,000 per annum, increase in Corporation tax, excise duties on tobacco and vegetable products - vanaspati ghee, a rise in postage on letters above 1 tola and on parcels and a doubling of the existing surcharge on telephones.

Budget figures. - The following table gives the budget figures at a glance:-

Revised Estimates for 1942-43

Revenue	1787.6 millions
Expenditure	2734.2 millions
Deficit	946.6 millions

Budget Estimates for ~~1943-44~~ 1943-44

Revenue	1993.0 millions
Expenditure	2595.9 millions
Deficit	602.9 millions
Fresh Taxation	201.0 millions
Net Deficit	401.9 millions

Defence Expenditure - 1943-44

Revised Estimates for 1942-43:	Revenue portion	1897.5 millions
	Capital portion	491.4 millions
Budget Estimates for 1943-44:	Revenue Portion	1828.1 millions
	Capital portion	168.5 millions

New Taxation Measures.- The new taxation measures taken, by which Rs. 201 millions of the total deficit of Rs. 602.9 millions will be covered, include:

(1) Increase in income and super-tax; there will be no change in regard to incomes up to Rs. 5,000. On the next slab of income from Rs. 5,000 to Rs. 10,000 the central surcharge will be increased from 9 pies to 10 pies in the rupee, and on the slab from Rs. 10,000 to Rs. 15,000 it will be raised from 14 to 16 pies in the rupee; on the balance above Rs. 15,000 the surcharge will be increased from 15 to 20 pies in the rupee. The effect of these changes will be to impose a surcharge amounting uniformly to 66 $\frac{2}{3}$  per cent. over the basic rates of income-tax. At the same time there will be an increase in the super-tax on the slabs of income between Rs. 25,000 and Rs. 350,000: here the surcharge will be raised uniformly by half an anna in the rupee. The resultant aggregate rates of super-tax, including surcharge, will thus run from two annas in the rupee on the lowest slab to ten and a half annas on the top slab. Corporation tax will also be raised by half an anna, to a rate of two annas in the rupee. The Excess Profits Tax will be extended to cover the profits of a further period of one year, but the rate of 66 $\frac{2}{3}$  per cent. will remain unchanged. The additional revenue from these changes in direct taxation is estimated at Rs. 70 millions in the coming year.

(2) Excise duty on tobacco - to ~~yield~~ yield Rs. 105 millions.

(3) Excise duty on vegetable products, vanaspati ghee, of Rs. 7 per cwt.- to yield Rs. 14 millions.

(4) Changes in Postal rates. The changes are an increase in the inland letter rate for each tola after the first from half an anna to one anna; an increase in the inland parcel rate for the first 40 tolas from 4 annas to 6 annas and an increase in the existing surcharge on telephone rentals from 1/6th to 1/3rd. These changes are estimated to yield Rs. 12 millions.

Economic Background.- In his speech introducing the budget, the Finance Member dealt, inter alia, with the assimilation of economic conditions in India, through the coming of the war closer to India, to those prevailing in other countries. Looking back on the first two years of the war, one can now see more clearly than was then possible how largely the favourable effects of India's economy outweighed the unfavourable ones. The war was far from Indian shores and yet it

exerted a marked expansionist influence on production, employment and trade without any very serious disadvantages accompanying the transition from peace to war. It is true that India lost some overseas markets, but she gained others. Her external resources mounted rapidly and the repayment of the external debt began, a process which will have a permanent effect upon India's international situation. Employment improved and higher earnings compensated the rise of agricultural prices, which in its turn improved the buying power of the ryot, and the mounting demand was met by a fuller utilisation of the margin of productive power still available. In the last twelve months the unfavourable factors also have gained relatively to the favourable. Occupation by the enemy of neighbouring territory has robbed India of part of her food supplies and increased the strain on communications. The war-demands are eating deeply into the manufacturing capacity, expanded though that has been. The drastic cutting off of imports has reduced supplies and helped the profiteer to exploit the consumer. At a time when food supplies were reduced by the cutting off of imports, India has had to come to the assistance of Ceylon. Civil disturbances have added to difficulties of transport and at the same time have encouraged individuals to hold stocks of food on a larger scale than usual. Prices have risen and, as in other parts of the world, an increased money income is being expended on a smaller stream of immediately available goods.

Even if rising agricultural prices have done nothing else, they have obviously diminished the real burden of agricultural indebtedness, a source to which so many of the major evils which beset the Indian cultivator have so often been traced. The industrial worker is enjoying full employment at rising wages and if he can be induced to exercise sufficient self-control and abstain from the immediate purchase of superfluities, he can build up a useful fund against the contingencies of the future. India's external debt is on the point of disappearance and she has large funds in hand with which to finance the improvement of industrial equipment in the future.

Repatriation of Sterling Debt. - Dealing with ways and means operations of the Government, the Finance Member observed that the fact that "some £300 million of sterling debt has been repatriated since the outbreak of war with so little disturbance to the money market is a consummation for which the country may well feel gratified."

Currency Expansion. - On the question of currency expansion, Sir Jeremy said: "We need not allow ourselves to take too pessimistic a view of the currency expansion that has taken place so far and that may be expected in the future." He deprecated loose talk and wild exaggerations which he said are the parents of panic buying and hoarding, benefiting only the profiteer and the speculator. The Finance Member appealed for economy in personal expenditure and for diversion of savings into Government loans and remarked that "the sheet-anchor in the present emergency must be more and more borrowing."

Reconstruction Fund. - The Finance Member revealed that the Government of India are considering a proposal to constitute out of the substantial surplus of sterling balances now accruing a Reconstruction Fund to provide for the financing of a programme of post-war reconstruction, including the rehabilitation and re-equipment of industry. Elaborating this point, he said: "It is clear that in the post-war period India will have demands for imported machinery and plant to equip her greatly expanded industrial system, to re-equip her railways and to enable Provincial and State Governments to carry out schemes of electrification, irrigation and the like, which have had to remain in abeyance during the war. It may be taken for granted that it will be found necessary even after the end of the war to proceed on some orderly programme for the

purchase of these capital goods from the producing countries. In this respect the position may well be found to be not greatly dissimilar from the present situation in regard to the procurement from overseas sources of the plant and equipment necessary for war production. The first essential would probably be a careful and comprehensive survey of India's requirements and the establishment of some order of priority upon which a programme could be drawn up. In so far as this programme depended on the ability of producing countries to release certain types of goods for export, it would clearly involve international co-operation, and in particular the assistance and co-operation of His Majesty's Government. The existence of such a Reconstruction Fund coupled with a concerted programme of requirements would place India in a favourable position to endeavour to secure the early fulfilment of her post-war needs and so enable her to go ahead with post-war reconstruction with the minimum of delay."

(The Budget of the Government of India for 1942-43 was reviewed at pages 12 to 14 of our February 1942 report.)

(The Gazette of India Extraordinary dated  
27-2-1943.) +

EMPLOYMENT, UNEMPLOYMENT AND VOCATIONAL TRAININGNeed for Central Co-ordination and Rationalisation of Technical Education  
Mr. L.P. Misra's Plea at Annual Meeting of Indian Institute of Engineers

In his presidential speech at the annual meeting of the Institution of Engineers (India), held at Lucknow on 24-2-1943, Mr. L.P. Misra (General Manager, Bengal and Assam Railway) urged the early establishment in India of a central regulating authority for rationalising technical education in British India by co-ordinating the facilities for such education already provided by the central and provincial Governments and industries established in the country.

Explaining the functions of the central regulating authority, Mr. Misra said that it would reorganise the course of studies in the existing institutions with a view to obtaining the maximum out of the funds and equipment provided, and would enlist active association of the industries with the existing or new institutions built for serving them, and secure therein a type of training suited to actual requirements. How the central regulating authority was to exercise its functions, what machinery was to be set up and what statutory powers were to be given to it to enable it to function satisfactorily, were all points of detail which would have to be closely studied by the Central Government in consultation with the provinces and the various industries for whose growth the development of suitable technical education had become a vital necessity. What was required, Mr. Misra said, was a preliminary survey to collect the data in regard to the funds spent, the number of students trained and annually absorbed, the accommodation and equipment available in the technical schools in the country, how far they could be expanded to embrace other activities and the requirements of the new industries to be served. Once this information had been collected, it would be time for the Central Government to consider the statutory powers to be given to the proposed central regulating authority.

Mr. Misra also emphasized the need for a thorough overhaul of the whole system of engineering training in the country. He pointed out that the curricula prescribed, the training given and the general atmosphere in the old established institutions in the country, though excellent from the point of view of the requirements of Government service, were different from what might be expected of technical institutions whose existence depended on their satisfactorily meeting the growing needs of the profession or the industry they were supposed to be training their students for.

(The Leader, 28-2-1943.) ✓

## MIGRATION

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### Indian Labour for Ceylon Rubber Estates: Lack of Agreement between Ceylon and India on Conditions. ✓

Reference was made at page 14 of our January 1943 report to the progress of negotiations between the Ceylon Government and the Government of India for the emigration of about 30,000 Indians to Ceylon rubber plantations. The subsequent developments are summarised below:-

Ceylon State Council's Ban on Indian Recruitment.- On 28-1-1943, the Ceylon State Council passed the following resolution by 21 votes to 7: "As the questions arising from Indian immigration are all unsettled and as the Governor has said that there are undertakings which must be considered binding on us and as there is insufficiency of food in this country, no further immigration should be allowed." In the course of the debate on the motion, Mr. D.S. Senanayake, Leader of the House, said that the Ministers ~~affix the names~~ had not given instructions to Sir Baron Jayatilaka to recruit labour in India. The resolution passed by the Ceylon State Council occasioned considerable surprise in Indian circles and was interpreted as an indirect rejection of the Government of India's suggestion for an agreement on fundamental principles governing future relations between the two countries and that apparently Ceylon politicians consider that the demand for Indian labour for the Island's rubber estates and for defence works is a matter for the Colonial Office to settle with the India Office.

Origin of Negotiations: Ceylon Governor's Telegram.- Full details regarding the origin of the negotiations for Indian labour were published in the course of February. On 8-12-1942 the Governor of Ceylon sent a telegram to the Government of India stating that "the adequacy of the supply of estate labour is under urgent consideration by the Board of Ministers with special reference to the production of rubber of which Ceylon's basic quota represents 85 per cent. of the production left in the control of the Allied Nations. In these circumstances, Ceylon must resort to the most intensive tapping possible in order to increase the production to at least 30 per cent. above the basic quota. This will entail the employment of additional labour during the war and less than the normal amount of labour after the war when the areas have been exhausted. The estates are also required by law for the period of the war to produce foodstuffs in addition to plantation crops and this also requires abnormal 'ad hoc' increase in the labour force. The demands on local labour for Military units, defence works, essential services and rural food production have been and are very heavy, and consequently there is no surplus available for diversion to the estates. The production of tea must not be allowed to decrease below the present necessary level. It will be realised now that the Indian ban on emigration has been relaxed in respect of labourers now in the Island there is likely to be the usual exodus on holiday to India during the early months of next year. In these circumstances, the Board of Ministers has asked me to ascertain whether the Government of India, notwithstanding their ban on emigration to Ceylon of unskilled labour other than labourers already in the island, would consider special recruitment of labour to meet the present war emergency on the following terms: (a) pay and conditions of employment identical with those of other Indian labour and (b) repatriation to India at the end of the war or other period stipulated by agreement. The Board of Ministers consider an arrangement on these lines to be the right one to meet the position with which they are confronted, which is that (a) the demand for extra estate labour is abnormal and only temporary, although essential for the prosecution of the war and (b) the status of



Indians in Ceylon is one of the questions which, at the request of the Government of India, has been postponed for consideration at a future undetermined date."

Government of India's Reply.- On 22-2-1943, the Government of India placed before the Central Assembly the correspondence on the Ceylon request which shows that, before discussing the Ceylon Government's demand made in December last year for 20,000 Indian labourers for rubber estates, the Government of India suggested that the principles for a settlement of the immigration and status problems should be determined and agreed upon. In reply to the Ceylon Government's request the Government of India sent a letter to Sir Baron Jayatilaka in which reference was made to discussions in Mr. Aney's house during which Mr. Aney suggested "that before reaching a decision on the supply of additional labour now required by Ceylon for rubber estates, we should attempt to determine the main principles in accordance with which a settlement of immigration and status problems should be negotiated."

Government of India's Conditions.- Sir Baron Jayatilaka having asked for concrete proposals, the Government enunciated them as follow:

"Owing to Japan's entry into the war the Government of India informed the Ceylon Government that in their opinion the proposals contained in the Indo-Ceylon Joint Report, presented in September, 1941, should not be further considered during the war and that the problems of immigration into Ceylon from India and of the status of Indians in Ceylon should be re-examined in the light of post-war conditions. Subsequent developments have made it clear that Ceylon cannot herself provide sufficient labour for the maximum utilization of her natural resources and for her fullest contribution to the war effort. She has therefore asked India to permit the emigration of additional unskilled labour. In these altered circumstances the Government of India have proposed and the Ceylon Government have agreed that the broad principles which govern a detailed settlement should now be determined. These principles are as follows: (1) It is agreed that Ceylon has the right to determine the future composition of her population by the imposition of such restrictions as she may deem necessary upon the entry of newcomers; (2) That all Indians who have entered or may enter Ceylon without infringing any existing statute before a future post-war date to be prescribed, will be eligible to qualify for all the rights of citizenship now accruing to persons possessing a Ceylon domicile of origin; (3) That the qualification for such citizenship shall be such as can be determined by a simple administrative process without recourse, except for the legalization of documents or by way of appeal, to a court of law; (4) That Indians admitted to such citizenship shall have no right to any special protection by the Government of India, but that in the case of unskilled labour there shall be no detraction from the conditions of work, wages, medical attention and housing agreed between the two Governments; (5) That the existing agreements between the two Governments regarding conditions of work, wages, medical attention and housing for unskilled labour shall be maintained in respect of any new immigrant labour or any unskilled labourers who are not admitted to full citizenship, subject only to such modifications as may become necessary by reason of restrictions being placed upon the entry of newcomers; and (6) That any restrictions that may be placed upon the entry of newcomers shall not be such as (a) to prevent Indians already in Ceylon introducing upon equal terms wives, children and recognized dependents; (b) to interfere with normal commercial practice between the two countries or to prevent the continuation of Indian business already legitimately established in Ceylon or (c) to impose upon newcomers of Indian nationality any greater restrictions than may be imposed upon newcomers of other nationalities."

In a letter dated February 8, in reply to Sir Baron Jayatilaka's inquiries, Mr. Bozman further clarified the position as follows: "The Hon. Mr. Aney informed you specifically that we could not accept the original suggestion from Ceylon that labour should be recruited subject to compulsory repatriation. That being so, he suggested that it might expedite consideration of Ceylon's request for labour if we could first agree upon the main principles which should govern subsequent detailed negotiations regarding the immigration and status of Indians in Ceylon. It was not our intention that the details of such negotiations should be considered now, nor did we envisage the joint report of 1941 being the basis of such negotiations. Should it be possible to reach an agreement upon these principles now the detailed settlement would be a fresh settlement, utilizing, if necessary, only such portions of the draft report as either party to the agreement might find useful in accordance with the agreed principles."

Ceylon's Rejection of Indian Proposals.- Sir Baron Jayatilaka in his letter dated 12-2-1943 communicated the decision that the Board of Ministers Ceylon, were quite unable to consider any counter-proposals on the basis of the Government of India's draft statement. "I am also to add", wrote Sir Baron, "that the Board of Ministers note with surprise that the joint report of 1941 is no longer envisaged by the Government of India as the basis of any future negotiations regarding immigration and status of Indians in Ceylon in spite of the fact that (a) the Government of India by their telegram of February 26, 1942, suggested postponement of consideration of ~~the~~ proposals in that report until after the war, and (b) the Government of Ceylon by a telegram dated March 18, 1942, agreed to the maintenance of the status quo on that understanding."

(The Times of India, 30-1-1943, the Statesman, 5-2-1943, the Hindu, 10-2-1943 and the Statesman, 23-2-1943) ✓

Emergency Restriction on Entry of Indian Women into Ceylon ✓

A Press Note issued by the Government of India on 24-2-1943 points out that as an emergency measure, the Government of Ceylon has promulgated an Order to the effect that no Indian woman, with certain exceptions, may enter Ceylon except under a permit granted by the Chief Secretary to the Government of Ceylon. The exceptions are allowed in the case of women who are relatives (whether by blood or by marriage) of persons resident in Ceylon. By administrative arrangement, Indian women accompanying male relatives will be treated as in the same position as Ceylonese women and allowed entry without ~~permit~~ permits. Indian women who are not accompanied by male relatives and who have no relations in Ceylon will require permits.

(The Hindustan Times, 25-2-1943.) ✓

Bombay Land Improvement Schemes Act, 1943. ✓

The Bombay Government has adopted the Bombay Land Improvement Schemes Act, 1943 to provide for the making and execution of schemes relating to the construction of tanks, embankments and other works, the prohibition and control of grazing for the purpose of preservation of soil, prevention of soil erosion, improvement of water supply and other matters in order thereby to protect and improve lands and crops in the Province.

The statement of Objects and Reasons appended to the Act points out that, in spite of the work done by agricultural and other departments connected with the improvement of land and its yield, the work of land improvement and increase in the yield of land has been hampered by certain limitations on the activities of these departments. It is known that bunding, construction of embankments, levelling, terracing, prohibition and control of grazing, etc., are the most effective measures for securing the maximum benefit from limited rainfall and that the cultivation of improved high yielding and drought resistant strains of crops in the areas of low or ill-distributed rainfall give excellent results. These improvements cannot, however, be made on isolated survey numbers, but must cover large areas where the holders must not only carry out the necessary work but maintain them, as the neglect of even a few holders may cause serious damage to the interests of the whole community. The planning and execution of these improvements, moreover, require technical advice and supervision which the individual cultivator cannot provide. The Act seeks to remedy this state of affairs by setting up Permanent Divisional Boards for land improvement purposes and, by providing for the preparation of schemes of land development and their sanction by the Board, for execution of the schemes and recovery of cost from those who cannot execute their share of the work. Provision has been made to secure the consent of 66 per cent. of the owners of the lands included in the scheme or, in the alternative, of owners who own 66 per cent. of the total area of the lands included in the schemes but power has been reserved to dispense with this condition in certain cases so that a really good valuable scheme of land improvement may not be held up by local ignorance or factious spirit. Power has, in addition, been reserved to have such schemes prepared for scarcity and famine areas without any such conditions.

(The Bombay Government Gazette, Part IV,  
dated 25-1-1943, pages 31-44.) ✓

Further Extension of Grant to Cottage Industries:  
Standing Finance Committee's Decision. ✓

Proposals for the renewal of grants for the year 1943-44 for the development of the handloom, sericultural and small scale woollen industries were approved by the Standing Finance Committee at its meeting held in New Delhi on 8-2-1943, Sir Jeremy Raisman, Finance Member, for Government of India, presiding. The grants amount to Rs. 500,000 in the case of the handloom industry and Rs. 100,000 each in the case of the sericulture and woollen industry.

As regards the handloom weaving industry, it was explained to the committee that the 5-year scheme of grants-in-aid for its development started in November, 1934, and expired in October 1939. This help was considered necessary since the Indian Tariff (Textile Protection) Amendment Act of 1934 imposed a protective duty on cotton yarns which, it was considered, would hit the handloom weaver by raising the price of the raw material. It was, therefore, proposed to help the handloom weaver by this grant for a period of 5 years. As the protection to the cotton textile industry has since been extended to 31-3-1944, the grant-in-aid to the handloom industry has also been extended.

(The Statesman, 9-2-1943.) ✓

SOCIAL CONDITIONSThe Bengal Vagrancy Bill, 1943 ✓

The Government of Bengal has published the Bengal Vagrancy Bill, 1943, providing for the segregation of beggars in crowded cities like Calcutta. In the statement of objects and reasons, it is pointed out that there has long been a desire in Calcutta that some measures should be taken to deal with the "Beggar Problem", not only out of compassion for the beggars themselves but also for the sake of the health and cleanliness of the city. This desire has recently been accentuated by the conditions arising from the fact that Calcutta is now subject to air raids. Persons collected together in the close and crowded atmosphere of an air raid shelter are exposed to a grave risk of infection through continued proximity to beggars suffering from leprosy or other contagious diseases. Government, therefore, proposes to assume powers to collect all genuine vagrants and place them in homes and in these homes to provide (a) food, shelter and clothing for all; (b) medical treatment for the sick; (c) work for the able-bodied; and (d) education for the children and also for such adults as appear to be likely to benefit by it.

(The Calcutta Gazette, Part IV-A,  
dated 18-2-1943, pages 1-10.) ✓

EDUCATIONPre-Primary education and Adequate Nutrition for Children:  
Greater Attention urged by Child Welfare Conference, Bombay.

A resolution expressing the opinion that, pre-primary education being indispensable for the healthy, all-round development of children, Government, municipalities and other local bodies should make such provisions as would benefit children of the pre-primary age was passed by the Child Welfare Conference held at Bombay on 30-1-1943. The Conference was organised by the National Council of Women in India; Miss R. Reuben presided. Supporting the resolution, Miss Reuben stated that pre-primary education was a great need for the country as many mothers did not know their responsibility in this respect. She mentioned the example of Russia in this connection and stated that it was better to spend a few ~~more~~ millions of rupees on pre-primary education than to spend many millions on jails and other institutions.

The Conference unanimously passed another resolution stating that the State in co-operation with public organisations like municipalities and local bodies, should take steps to see that every child receives adequate nutrition for its healthy growth.

(The Times of India, dated 2-2-1943.)✓

WagesEstablishment of Wage Boards ✓

Addressing the U.P. Statistical Institute at Lucknow on 6-2-1943, Professor Radha Kamal Mukerjee, dealing with dearness allowances in relation to cost of living of industrial workers, stressed the need for establishment of wage boards, as in Great Britain, in all principal industrial centres in India. Reviewing the movement of index numbers, he observed that in Bombay, Ahmedabad, Nagpur and Cawnpore the cost of living had now nearly doubled or more than doubled, while wages increments varied from 12½ to 33 per cent. in different centres. As in England, he said, wage boards should establish a sliding scale of bonus or allowance for the rise of a given number of points in the cost of living index, guaranteeing also a minimum living wage for the lowest grade of workers, estimated at Rs. 30 per family under the old price level. Professor Mukerjee also pointed out that the activity of wage boards should be supplemented by price control measures, especially the establishment of cheap grain and standard cloth shops in all industrial areas, for the maintenance of efficiency, standard of living and morale of all workers in war time. ✓

(The Leader, 10-2-1943.). ,

Increased Dearness Allowance for Lower-paid Government Employees in Indore State ✓

The Government of Indore State has sanctioned the grant of increased dearness allowance with effect from the 1st January 1943 for whole time government servants (except combatants and non-combatants of the Army Department and village chowkidars - watchmen). All Government employees getting a salary below Rs. 40 per month will from 1-1-1943 get a dearness allowance of Rs. 4 per month in Indore City and Rs. 3-8 per month in the mofussil, while employees getting Rs. 40 per month and up to and including Rs. 60 per month will get a dearness allowance of Rs. 5 per month in Indore City and Rs. 4 per month in the mofussil.

(Federal India and Indian States, 3-2-1943.) ✓

Bonus to Cotton Mill Workers in Indore ✓

The Government of Indore State has issued under the Indore Trade Disputes Act, an order to the effect that cotton mill workers in the State should be granted bonus equivalent to 2½ months' basic wages for the year 1942. No worker who has been discharged for misconduct will be entitled to the bonus.

(Federal India and Indian States,  
dated 3-2-1943.) ✓

Views of the A.I.T.U.C. on Organisation of Cheap Grain Shops and other Items on the Agenda of 2nd Standing Labour Committee Meeting. ✓

Reference was made at pages 4 to 5 of our January 1943 report to the decisions of the second session of the Standing Labour Committee; the views expressed by Mr. N.M. Joshi, General Secretary, All-India Trade Union Congress, on some of the items on the agenda are summarised below:-

The following suggestions have been made on the provision of cheap grain shops: (a) In all industrial areas, a proper rationing system should be introduced; (b) employers' shops should be under the obligation to give grain to their employees during strikes; (c) private shops should be strictly controlled and supervised by Government; (d) shops run by employees themselves should be encouraged and helped; (e) employees should be free to choose ~~whichever~~ kind of shop they find suitable for their needs; (f) both normal and supplementary supplies should be made available by Government to all these kinds of shops to the extent that they cater for industrial workers.

In the matter of supplying these shops with necessary articles, the Government of India, in co-operation with provincial or district authorities, should take up the ultimate responsibility on themselves both for normal and supplementary supplies. This is absolutely necessary, because today the provincial Governments have not sufficient power to deal with the problem effectively. The Government should fix retail prices for each article and the employers' shops should sell the articles at the price fixed by Government. Provision of cheap grain shops should not be made an excuse for reducing dearness allowance.

~~The~~ family and not the individual should be taken as the unit for introducing rationing. It will be suitable to allow an average for the worker and his family of 3 adult rations until such time as a census is secured. The ration required by an adult per day or week can be determined on the basis of the scale prescribed by Dr. Akroyd, Director, Nutrition Research Laboratories, Coonoor. According to this scale, the average adult daily requirements of food, including milk, vegetables, fats, etc., are calculated to be 40 ounces. But as the industrial workers are not in a position to take milk, vegetables, etc., in the proportion prescribed by Dr. Akroyd, the quantity of cereals and pulses will have to be much more than what is prescribed in this scale. On a modest estimate, he takes it to be 28 ounces (or 1  $\frac{1}{2}$  lb.).

All the workers, as long as they are in industrial employment, should have the right to make purchases from the employers' shops for all the days of the week or a fortnight or a month irrespective of the fact that they attend the place of work the previous week or for only a certain number of days. This is because it may not be possible for every worker to attend all the days in every week on account of various reasons. It is obvious that provision should be made for supply to workers when absent by reason of sickness. It is necessary that employers' grain-shops should be subject to supervision from time to time by Government in cooperation with Workers' Committees to be set up in cooperation with their trade unions wherever trade unions exist, or set up by the workers themselves where trade unions do not exist.

Joint Adjudication of Trade Disputes.- The A.I.T.U.C. does not object in principle to joint adjudication. But the fact that such extension of the adjudication proceedings may cause delay which may be inconvenient from the point of view of the party on whose representation the adjudication was originally undertaken ought to receive full weight. Mr. Joshi, therefore, suggests that the consent of the party on whose behalf the original proposal for adjudication was undertaken should be made obligatory for the extension of the adjudication to any other undertaking. When adjudication is started to consider demands from workers for improved conditions, the employers try to get postponement of the proceedings and the delay caused becomes irritating to the workers and sometimes the patience of the workers becomes exhausted and they begin to think of a strike, which puts them in the wrong. "I, therefore, feel that in order to safeguard the interests of the party for whose sake the original proceedings were undertaken, the consent of that party for





In view of further rise in cost of living, the Government of Bombay has decided to liberalize its existing scheme of dearness allowance by raising the pay-limits up to which the allowance is admissible to its servants, and by increasing the rates of the allowance.

Under existing orders, Government servants serving in Bombay City and drawing pay up to Rs. 100 per mensem are eligible for dearness allowance at a flat rate of Rs. 7-8-0 per mensem. The pay-limit has been raised to Rs. 120. Government servants drawing pay below Rs. 40 per mensem will now receive the allowance at the rate of Rs. 9 per mensem and those receiving Rs. 40 or more will be eligible for the allowance at the rate of Rs. 11 per mensem. The pay-limit for Government employees in the mofussil has, similarly, been raised from Rs. 75 per mensem to Rs. 90 per mensem. Employees receiving pay below Rs. 40 per mensem will be entitled to the allowance at the rate of Rs. 7 per mensem, while those drawing higher pay will be entitled to the allowance at the rate of Rs. 9 per mensem, instead of at the present flat rate of Rs. 6 per mensem. Marginal allowances will be given to persons drawing more than Rs. 120 in Bombay City and Rs. 90 in the mofussil to ensure that they do not receive less pay than Rs. 131 and Rs. 99 per mensem respectively.

The Government of Bombay has decided to give retrospective effect to these orders as from 1-11-1942. The orders will continue to be in force until further notice. All whole-time Government servants are eligible for this allowance and similar increases have also been ordered in the case of whole-time daily rated staff.

(Press Communique dated 5-2-1943, issued by the Director of Information, Bombay.)✓

#### Adjournment

~~Censure~~ Motion on Inadequacy of Dearness Allowance granted to Low-Paid Government Servants: Labour Member's Explanation in Central Assembly.✓

On 12-2-1943, Mr. Jammadas Mehta moved an adjournment motion in the Central Legislative Assembly censuring the Government of India for the inadequacy of the dearness allowance announced on 23-1-1943.

Moving his adjournment motion, Mr. Jammadas Mehta criticized the Government policy with regard to the question of dearness allowance to all low-paid Government servants and said that, whereas the cost of living had risen by 103 per cent., the maximum compensation granted to a low-paid Government servant was only 21 per cent. What should have been done was that the low-paid staff should have been treated as they were in September 1939. He also protested strongly against the conduct of the Government in not consulting the representatives of the various employees most vitally affected by the rise in the cost of living. In any case, he said, those living on the verge of starvation should be fully compensated.

Supporting the motion, Mr. N.M. Joshi said that for a long time when the cost of living was rising Government failed to take notice of this question, and even when it did, it did not follow a generous policy. He pleaded for the grant of dearness allowance at a flat rate and removal of the present discontent.

In his reply to the motion, Dr. B.R. Ambedkar, Labour Member, Government of India, stated that the motion raised two points, namely, the meagerness and inadequacy of the dearness allowance announced on 2-1-1943 and the failure of the Government to consult the representatives of the trade unions. With reference to the first, he pointed out that there was no finality in the decision of the Government and there was no reason to assume that the amount granted could not be altered subsequently. It was a matter for the Government to decide the form of any further dearness allowance in cash or foodstuffs.

With regard to the other point, he explained that there was no difficulty in contacting the representatives of labour. The Government could easily do so in the case of railwaymen, whose Federation existed, but similar contact with other departments could not be established for want of single representative bodies. Even then, he pointed out, the Government made efforts to consult the representatives of the postal employees and the Secretariat staff. The policy of the Government was that it always consulted its workers in such matters as far as possible.

The motion was lost.

(The Hindustan Times, 13-2-1943) ✓

Increased Dearness Allowance for Low-Paid Jamshedpur Employees  
of Tisco from 1-10-1942. ✓

On account of a further substantial rise in the cost of living index for Jamshedpur, the Tata Iron and Steel Company has decided to increase the rates of War allowance for its employees at Jamshedpur from 1-10-1942 as per terms and conditions given below:- (The allowance will be purely temporary for the duration of the war.)

Employees of the Steel Company, working at Jamshedpur on wages or salaries, inclusive of bonuses and allowances, not exceeding Rs. 100 per month are to be paid a war allowance of Rs. 9 per month; those getting between Rs. 100 and Rs. 200, Rs. 12 per month; those getting between Rs. 200 and Rs. 300, Rs. 15 per month; and those getting between Rs. 300 and Rs. 315 per month, the difference between salary (inclusive of bonuses and allowances) and Rs. 315 per month.

The allowance will be paid pro rata for the number of days of actual attendance during a month plus the days on leave with pay duly sanctioned. If for three consecutive months the cost of living index for Jamshedpur published by the Bihar Government drops substantially below the present level, the War allowance will be reduced. If for three consecutive months the cost of living index falls below 118, the War allowance will be discontinued. The War allowance will be liable to revision, if, as a result of the recommendations of the Government of Bihar on the Bihar Labour Enquiry Committee's Report, or for any other reason, the basic scale of wages is revised.

(The Tisco Review, December, 1942.) ✓

Production

Rubber Conference, Delhi, 15-2-1943. ✓

A Rubber Conference convened by the Government of India was held at New Delhi on 15-2-1943; Mr. P.J. Kurian, Rubber Commissioner for India, and members of the United Kingdom Rubber Mission in India attended the Conference. The decisions of the Conference are not yet available, but it is understood that, as a result of the Conference, the purchase price of Indian rubber will be fixed at the same level as that of Ceylon rubber (The Statesman, 17-2-1943.)

Dealing with the drive for more intensive rubber production in India and Ceylon for war purposes and the need of Ceylon for a trained labour force of tappers, Mr. George Fellowes, Member, United Kingdom Rubber Mission, said in the course of a press conference at New Delhi on 16-2-1943: The annual rubber crop in Ceylon is 102,000 tons and in India 16,000 tons. By intensive tapping, Ceylon can have an additional 30,000 tons and India an additional 2,500 tons. Ceylon needs 35,000 extra tappers, and as India has trained tappers, she could supply 20,000 labourers to Ceylon. Indian rubber was as good in quality as Ceylon rubber, but Indian rubber estates yielded 50 lbs. less per acre than Ceylon estates. Production committees in both

Ceylon and India have agreed to 20 per cent. of the estates being subjected to slaughter tapping, compensation being given for wastage of assets. With this compensation, planters should be able to replant rubber trees ~~which, with~~ <sup>having</sup> better seeds <sup>would</sup> produce a 2½ times better yield.

(The Statesman, 17-2-1943 and the Hindustan Times, 19-2-1943.) ✓

#### Post-War Reconstruction

##### Reconstruction Committee to be set up in the United Provinces. ✓

The setting up of a Post-war Reconstruction Committee for the United Provinces as soon as possible was foreshadowed by Sir Maurice Hallett, Governor of the United Provinces, in his reply to an address presented to him on 29-1-1943 on behalf of the Allahabad District War Committee. He pointed out that in 1942 a Revenue Reserve Fund to meet expenditure on A.R.P. in the first instance, with residuary purpose of post-war reconstruction, has already been established, and that the U.P. Government proposed to continue to make substantial contributions to the fund for its residuary purpose of post-war reconstruction.

(The Times of India, dated 1-2-1943.) ✓

##### Meeting of the Reconstruction Committee on Trade and Industry ✓

A meeting of the Post-War Reconstruction Committee on Trade and Industry was held on 16-2-1943, Mr. N.R. Sarker, Commerce Member, ~~to the~~ Government of India, presiding. A statement was made on India's position regarding the requirements of capital goods after the war. It was decided to set up 6 technical sub-committees to consider not only the replacement requirements of the post-war period, but also the volume of capital goods likely to be needed in view of industrial expansion.

(The Statesman, 18-2-1943.) ✓

##### Welfare of Service Men after Demobilisation: Fund being built up by Government. ✓

In reply to a question asked by Mr. Govind Deshmukh in the Central Legislative Assembly on 17-2-1943, Sir Firoz Khan Noon, Defence Member, Government of India, explained the plans of the Government to guarantee freedom from want to the men who would be demobilized from the Services after the war. He said that the Government recognized that the demobilized soldier would be one of the most powerful agencies in the re-adjustment and development of society after the war. It was therefore ~~the~~ its first objective to secure, as far as possible, that men eventually discharged from the armed forces should be not only supplied with the necessities of life but equipped to earn a good livelihood. The tentative plans included the creation of a fund which was being built up at the rate of from 2.5 to 3 million a month, to be used after the cessation of hostilities on schemes for the permanent benefit of ex-servicemen. A complete card index of the Indian Army had been prepared in which all the necessary details concerning each individual were recorded, including technical qualifications.

Government had also under consideration the creation of a network of employment exchanges throughout the country which would deal with technical personnel and with which employment and welfare bureaux for discharged members of the armed forces would co-operate. It had also been decided that the scheme for training technicians would be continued for a year and a half after the war. This would enable those men who had been called up before

completing their technical training course to complete the course after the war and thus fit themselves for technical employment.

(The Statesman, dated 18-2-1943.) ✓

Training of Air Craft Technicians:  
Estimate of over Rs. 1.8 millions for 1943-44. ✓

The Standing Finance Committee of the Central Legislature at its meeting held at New Delhi on 8-2-1943 considered financial proposals relating to the reorganization of the scheme for the training of mechanics to meet the expanded needs of the Air Forces. (The Committee's decisions re. grants to cottage industries are reported under the heading 'Co-operation and Cottage Industries' in this report). The training scheme commenced early in 1941 and was carried out in a number of technical institutions, distributed throughout the country. An output of 1,700 trained men for the air forces every five months is now aimed at; as the existing centres had facilities for training only about 1,300, it was proposed to meet the additional requirement by opening a new centre and expanding a few of the existing ones. It was also intended to train about 200 mechanics for the civil aeronautical industry. As the demand of the air forces for mechanics was great, it was proposed to continue the training scheme for the duration of the war, and to keep a few selected centres in existence for a period of 12 months thereafter to complete the training of those who might be undergoing training at that time. Up to the end of December 1942, 2,190 candidates joined the different training centres of whom 926 were trained and enrolled in Indian Air Force, 113 were trained and transferred to civil industry, and the rest, excluding those who had been discharged for one reason or another, were under training. The anticipated output of trainees during the year 1943-44 is 3,600, which is ~~almost double the original yearly target of 2,000.~~ The total gross expenditure of the scheme from the commencement till the end of the next financial year was estimated at Rs. 5,036,000.

(The Hindustan Times, 9-2-1943.) ✓

Progress of All-India Technical Training Scheme.- ✓

A press note issued by the Government of Sind setting forth details regarding the progress of the All-India Technical Training Scheme shows that at the end of November, last year (1942), 34,455 candidates were being trained at 392 training centres all over India, including 4,579 candidates at 55 centres in Indian States. Of these, Madras contributed 8,202, Bengal 5,571, the Punjab 3,819, U.P. 2,831, Bombay 2,253, Bihar 1,890, Delhi 158, C.P. and Berar 1,221, Orissa 1,000, N.W.F.P. 608, Sind 404, Assam 395 and Ajmer-Merwara 93. Over 27,442 technicians have been supplied to army, navy, ordnance and civil factories. The training centres in India are still not working to full capacity; there are vacancies for 11,007 candidates in all the centres combined.

(The Statesman, 8-2-1943.) ✓

Better Terms for Medical Men:  
Government's Alternative for Conscription. ✓

The Government of India has recently been examining the question of further stimulating the recruitment of doctors for the Defence Services. The method of conscription is considered unsuitable, as recruitment on a voluntary basis has been satisfactory. The Government of India is of ~~the~~ opinion that what is needed is the stimulus of better terms, more especially to attract licentiates. These terms may be announced shortly. Those who are in favour of conscription feel that this method is fair to all and would enable those doctors to join up who are in private employ and fear they may not get back their posts at

the end of the war. Opposition to the conscription proposal is based largely on the ground that improved terms would stimulate recruitment without the political reactions of conscription.

(The Statesman dated 5-2-1943.) ✓

Conscription of Doctors:  
Opposed by Indian Medical Association.

At a meeting of the Central Council of the Indian Medical Association, held at Lucknow in the second week of February, 1943, a resolution to the effect that any proposal for the conscription of medical men by Government would, in the present political situation in the country, be unwise, was adopted. "If the legitimate grievances of the medical profession, as put forward by the Indian Medical Association from time to time, are remedied," the resolution added, "the promulgation of any scheme of conscription will not be necessary."

(The Hindu, 19-2-1943.)

Drawing the attention of the Government of India to this resolution, the Hindu, dated 20-2-1943, warns the Government, in an editorial note, of the seriousness of the danger to public health that might result from any large-scale absorption of medical men into the army, and adds: "It is quite clear that, if the Government had encouraged the growth of medical schools in the past, the shortage of doctors would not have been as acute as it is. The Government have already drawn a very large number of skilled practitioners into the ranks of the Army and there can be no doubt whatsoever that the needs of the civilian population are in danger of being overlooked or ignored. As things are, the ratio of medical men to the population is low. Even less satisfactory is the hospital accommodation available. Whereas there are 90 beds to every 10,000 of the population in Britain, 84 in Germany and 79 in the U.S.A., there are less than 60,000 beds for the whole of nearly 300 millions in British India. The number of practitioners is also proportionately less. The scheme for conscription should therefore be abandoned and more attention paid to development of medical colleges and schools in the country; but we would also emphasise the unwisdom of relaxing the standards of medical education out of mistaken notions of practical convenience."

(The Hindu, 20-2-1943.).

Control Measures~~Tea~~ Restriction on Treating in Jodhpur. ✓

The Government of Jodhpur State has, on 15-2-1943, promulgated an Order restricting the number of guests that may be entertained at parties on ceremonial occasions (marriage parties, etc.) by any person within the State. According to the Order, the number of guests to be entertained may, on no occasion, exceed 150.

("Federal India and Indian States",  
dated 10-2-1943.) ✓

Restriction on Treating in Bombay ✓

In exercise of the powers conferred under the Defence of India Rules, the Government of Bombay has on 30-1-1943 issued an Order that with effect from 5-2-1943, no person should, unless permitted by the Supply Commissioner, Bombay, distribute or cause to be distributed eatables on any one day at any party or function to more than 49 persons. The Order extends to the City of Bombay and the Bombay suburban District.

(The Bombay Government Gazette Extraordinary,  
Part I, dated 1-2-1943.)

(By notification No. 390-II dated 15-2-1943 in Bombay Government Gazette Extraordinary dated 15-2-1943, the above Order has been extended to 19 other towns in the Province with effect from 22-2-1943.) ✓

Regulation of Tea Exports ✓

In order to facilitate, as far as possible, the clearance of stocks of tea held by private exporters against definite out-market ~~extr~~ contracts actually entered into and completed before the commencement of the block purchase scheme, Export Trade Controllers were instructed by the Government of India to issue licences in certain cases until further orders.

The Government of India reviewed the position of the stocks of tea actually acquired before September 15, 1942, against such firm out-market contracts and arrived at the following decisions:-

(a) Persia, Iraq and Egypt: No new licences to be granted, but validity of licences already issued for exports of tea to Persia, Iraq and Egypt was extended up to December 15, 1942, if exporters were able to obtain shipping space before that date.

(b) Other destinations: Licences were permitted to be issued for shipment before December 15, 1942, of stocks held by exporters against firm contracts entered into before September 15, 1942.

All private exports of tea thus ceased after December 15, 1942, and exporters might offer their frustrated shipments to the Ministry of Food through the Tea Controller for India.

("Indian Information", New Delhi, dated  
15-1-1943.) ✓

The Bombay Rationing Inquiry Order, 1943. ✓

The Government of Bombay has, on 5-2-1943, issued under the Defence of India Rules the Bombay Rationing Inquiry Order 1943, which provides that managers of hotels, restaurants and other catering establishments, persons in charge of institutions like hospitals, nursing homes, workhouses, asylums and boarding schools and owners of



mills (flour mills and other provender mills) and manufacturing establishments (bakeries, confectionaries and similar establishments) should, for purposes of being supplied with their quota of the following foodstuffs - rice, wheat and wheat products, jowar and bajra - for use or consumption furnish correct information in respect of the establishments under them to the Controller of Rationing, Bombay. In the City of Bombay the Order comes into force on 6-2-1943.

(The Bombay Government Gazette Extraordinary, Part I, dated 6-1-1943, pages 290-292.) ✓

The Madras Yarn (Dealers) Control Order, 1943 ✓

The Government of Madras has issued under the Defence of India Rules the Madras Yarn (Dealers) Control Order, 1943, which prohibits any person in the Province from carrying on business in cotton yarn (selling, storing, etc.) unless licensed by the Provincial Yarn Commissioner. No licence is required for a person selling, storing or carrying on business in cotton yarn spun by himself or the members of his family.

(Rules Supplement to Part I, Fort St. George Gazette dated 16-2-1943.) ✓

The Bombay Building (Control of Construction) Order, 1943. ✓

With a view to conserve the supply of building materials, the Government of Bombay has issued, under the Defence of India Rules, the Building (Control of Construction) Order, 1943, which provides that no person in Bombay City, <sup>and</sup> the Bombay Suburban Districts is to erect, re-erect, construct or alter any building unless permitted by the Brick Controller, Government of Bombay.

(Order No. 388-C dated 11-2-1943, The Bombay Government Gazette, Part IV-A, dated 13-2-1943, page 23.) ✓

The Iron and Steel (Scrap Control) Order, 1943 ✓

Iron and steel scrap has hitherto been controlled under the Iron and Steel (Control of Distribution) Order, 1941. Facilities for the use of melting scrap by the Indian steel industry having been expanded, it has now been necessary to regulate more strictly the distribution of scrap so that the best possible flow to steel producers is maintained, says a press note issued by the Government of India on 27-2-1943. The Government, therefore, has decided to make separate provision for the control of scrap and with this view has, under the Defence of India Rules, issued, on 25-2-1943, the Iron and Steel (Scrap Control) Order, 1943. The Order provides for controlling scrap in the possession of iron and steel producers, and railway administrations, and of such factories, local authorities, scrap merchants and other persons as may be declared by the Iron and Steel Controller to be 'controlled sources' of scrap. Producers requiring scrap must obtain a written order from the Controller before they acquire it; and other users must obtain a written order before they acquire scrap from a 'controlled source'. Controlled sources are prohibited from selling or otherwise disposing of their stock without a written order of the Controller. No restriction is placed on purchases (except by producers) from sources other than controlled sources.

(The Gazette of India, Part I, Section 1, dated 27-2-1943, pages 250-251 and the Leader 1-3-1943.) ✓

As impure milk and milk products are being imported and sold in Quetta to the detriment of the health of His Majesty's Forces and therefore to the efficient prosecution of the war, the District Magistrate, Quetta, has, on 8-2-43, issued under the Defence of India Rules the Quetta Milk and Milk Products Control Order, 1943, which is to come into force from 1-3-1943 in the Municipal, Cantonment and Railway areas of Quetta. The Order is to the effect that no person should engage in any undertaking which involves the sale of milk or milk products except under and in accordance with a license issued by a Medical Officer of Health.

(Notification No. 351-S dated 8-2-1943; The Gazette of India, Part II-A dated 20-2-1943, pages 78-79.) ✓

The Madras Yarn (Spinning Mills) Returns of Production, Stocks and Sales Order, 1943. ✓

The Government of Madras has, under the Defence of India Rules, promulgated the Madras Yarn (Spinning Mills) Returns of Production, Stocks and Sales Order, 1943, on 13-2-1943. The Order requires the owner of every cotton spinning mill in the Province to submit to the Provincial Yarn Commissioner correct and complete monthly returns of his business and the details regarding stocks and sales in his yarn depots, and also to maintain accurate accounts on specified lines of his day-to-day sales, prices and stocks of yarn.

(Rules Supplement to Part I of the Fort St. George Gazette, dated 16-2-1943, pp. 1-3):

Increase of Food Crop Acreage in Bengal: Curtailment of Jute Acreage. ✓

According to a press communiqué issued by the Government of Bengal in the second week of February, 1943, the local Government has, with a view to increase the acreage under food crops, decided that the area licensed for jute cultivation in the province in 1943 should be reduced to half the area registered for jute in 1940. The yield from the reduced acreage in Bengal is expected to total up to 8.5 million bales, and the world requirement of raw jute in the near future is also expected to be in the neighbourhood of 8.5 million bales.

The Government has also decided to give the growers all information it can secure as to the prospects of the demand for jute and for food crops, specially paddy, and their prices, and the relative desirability of planting one or the other.

(The Amrita Bazar Patrika, 16-2-1943.) ✓

The Orissa Rice and Kunda Control Order, 1943. ✓

The Government of Orissa has, under the Defence of India Rules, promulgated the Orissa Rice and Kunda Control Order, 1943, under which every dealer should comply with such directions regarding the purchase, sale, distribution or disposal of rice or kunda (paddy husk) as may be given to him by the Controller of Supply and Transport, Orissa.

(Notification No. 1666-S.T. dated 2-3-1943, The Orissa Gazette Extraordinary, dated 2-3-1943.) ✓

The United Provinces Food Control Scheme: Controlled Purchase and Equitable Distribution. 36

The Government of the U.P. has published on 15-2-1943 a memorandum on a scheme for the controlled purchase and equitable distribution of staple food grains, the main purpose of which is to secure the provision of food for towns in proper quantities and at proper prices. This object can only be achieved, says the memorandum, if (1) hoarding by the wealthier consumers is prevented, (2) the grain available is strictly and equitably distributed, and (3) adequate stocks are built up in towns against temporary shortages of transport. Government does not consider it possible to create these conditions unless as much grain as possible is brought under its control and unless at the same time special measures are taken to prevent hoarding and to ensure equitable distribution.

The scheme will have as its ultimate sanction a Food Control Order and a system of licences prescribed by the Order laying down conditions under which trading will be carried on. The scheme will ultimately extend to the retail distribution of the stocks of food grains which it is primarily designed to provide.

(The Statesman, 17-2-1943.)

Increased Penalty for Hoarding and Contravening Price Control Measures.

A few amendments have been published in the Gazette of India relating to the Defence of India Rules and the Food Grains Control Order. The importance of these changes is that for the first time confiscation has been added to imprisonment and fines as a deterrent penalty for hoarding. The new penalty of confiscation is specially directed against wholesale and retail dealers. Wholesale dealers who have not acquired a licence to carry on their business as required by law and licensed wholesale dealers who make false monthly returns of the stocks they hold and the transactions they have carried out are both in danger of confiscation of stocks without any payment whatsoever. The licensed dealer who falsifies his transactions and stocks is no less in danger. As regards the retail dealer, the penalty of confiscation is in danger of being visited upon him should he, having stocks, refuse to sell them to the public, or, having stocks, sells at above such controlled price as may have been imposed in different places. Although the law is primarily directed against anti-social activities of wholesale and retail dealers, the consumer-hoarder will himself not escape if the quantity of his hoarding brings him within the normal scope of the activities of either class of dealers.

(The Gazette of India Extraordinary dated 5-2-1943, page 142 and Times of India, 12-2-1943.)

The Bleaching Powder and Chlorine Control Order, 1943.

The Government of India has, on 4-2-1943, issued under the Defence of India Rules, the Bleaching Powder and Chlorine Control Order, 1943, according to which no manufacturer or importer should sell or otherwise transfer bleaching powder or chlorine except on the authority of and in accordance with a permit issued under the order. The Order requires all manufacturers and importers of these two articles to submit, before the 7th of every month, returns of stocks held, produced or disposed of in the previous month. Government has also assumed powers for fixing their prices from time to time.

(The Gazette of India Extraordinary, dated 5-2-1943, pages 139-141.)

In order to provide for the equitable distribution of the supplies of paddy and rice produced within Madras Province among the deficit districts of the Province, the Government of Madras has adopted a control and distribution scheme drawn up by the Commissioner of Civil Supplies, says a press communiqué issued on 23-2-1943 by the Madras Government. Under the scheme, monthly quotas have been fixed for each of the deficit districts of the Province for the nine months, February 1943 to October 1943, and also the source from which they should be supplied. These quotas are tentative and may be revised later in the light of subsequent experience. Although a monthly quota has been fixed, Grain Purchase Officers will purchase advance quotas within the limits of practicability and the availability of transport facilities. Collectors have been made responsible for the equitable distribution of the district quotas within their respective districts. They are to "freeze" the stocks on arrival and fix the quantities to be released each month. Distribution is to be done through reliable merchants selected by the Collector. These merchants will buy the quotas in advance and distribute the stocks to various localities according to the instructions of the Collector. Big shops attached to industrial concerns or firms will also be recognized as wholesale dealers if they wish to buy direct from the producing areas through the Grain Purchase Officers. Collectors of deficit districts are to see that no rice, paddy, dry grains or pulses is exported from their districts except under permits issued by them.

(Press communiqué dated 23-2-1943 issued by the Government of Madras (Development Department) ).✓

The Surgical Ligature Control Order, 1943. ✓

The Government of India has, on 23-2-1943, issued under the Defence of India Rules, the Surgical Ligature Control Order, 1943. The order is to the effect that no person should manufacture for sale sterilised surgical ligature or suture except under, and in accordance with, the conditions of, a licence issued by the Director-General, Indian Medical Service.

(The Gazette of India, Part I, Section 1, dated 27-2-1943, pages 242-243).✓

Compensation for War Injuries

Employers' Liability to pay Compensation to Workmen: Labour Member Introducing Bill in Central Legislature.

Dr. B.R. Ambedkar, Labour Member, Government of India, has drawn up a bill to impose on employers a liability to pay compensation to workmen sustaining war injuries and to provide for the insurance of employers against such liability. It will be introduced in the Central Legislative Assembly ~~On the middle of~~ March, 1943.

(Agenda Papers of the Central Legislative Assembly for 11, 12, 15, 17 and 18-3-1943) +

Food Policy

2nd Session of Central Food Advisory Council, New Delhi,  
8 and 9-2-1943. ✓

The second session of the Central Food Advisory Council was held at New Delhi on 8 and 9-2-1943, Mr. N.R. Sarker, Member in charge of Food Department, presiding.

In the course of his opening speech, Mr. Sarker declared that the statistical position of food crops this year, though not quite satisfactory, was not such as to justify alarm or panic. The actual position in the market however was more difficult, primarily because of large-scale hoarding, which he attributed to lack of public confidence. After explaining the Government of India's scheme, aimed at the restoration of confidence, securing available surpluses in the producing regions and their distribution to the deficit areas, Mr. Sarker invited the co-operation of the public in carrying out the scheme. It was on the production side, he declared, that the Council could give most valuable advice, particularly in the direction of intensifying the "grow more food and fodder campaign."

Present Position. - Explaining the statistical position, Mr. Sarker said that the 1942 ~~khari~~ rice crop is estimated to be 25,500,000 tons as against the average of three pre-war years production of 26,500,000 tons. Some improvement may be noticeable in the rice position when the final forecast figures are available by the end of February 1943. As regards bajra and jowar, the production is estimated to be 9,264,000 ~~tons as against the pre-war average of 9,187,000 tons~~, leaving a small surplus. No estimates of rabi crops like wheat and gram are available. The first wheat acreage forecast shows an increase of nearly 1,400,000 ~~acres under wheat over the corresponding figures of the previous year~~. The monsoons have been reported to be favourable and the condition of the crop is also so far good. It is therefore hoped that the rabi crops will be much above the normal. Taking into account the deficit in rice production mentioned above, the loss of Burma rice imports of nearly 1,400,000 tons per year and the requirements of certain neighbouring countries and the Defence forces, there may be a deficit of nearly 2,800,000 tons in respect of the khari crops which, if the improvement anticipated materializes, may fall to about 2,500,000 tons.

Even if the rabi crops do not exceed the normal and no wheat is imported from abroad during the next year, the shortage under this head will not be more than 300,000 tons of wheat. There is however good reason to hope that the increased acreage and present satisfactory crop conditions may wipe out this potential deficit even without assistance from overseas. Considerable quantities of grain are also carried over from year to year but no statistics in respect of these are maintained. ~~The statistical position of this year therefore although not quite satisfactory,~~

Government Scheme. - The broad principles of the Government of India's scheme are:-

(1) That the Central Government will make themselves responsible for the procurement of surplus, including imports from overseas, and their distribution to two classes of consignees, the deficit provinces and the Defence Services - and that all matters should be co-ordinated so as to have an all-India application. The provincial Governments in the surplus regions will be the agents of <sup>the</sup> Central Government for the procurement of surpluses, though it will be responsibility of the Provincial Governments of deficit areas to distribute such supplies

as are made available to them equitably among the various sections of the consuming public.

(2) Every step will be taken for the restoration of public confidence and confidence in normal trading. With this view all normal instruments of trading will be utilized to the greatest possible extent and will be re-established where necessary. In the procurement of surpluses, commercial methods will be followed to the greatest possible extent.

(3) Major emphasis is placed on control and distribution. There is control on the inter-provincial movements of grain and the distribution of surplus. Imports and exports into the province must, therefore, be on Government account.

(4) Central controls governing the maximum prices have been removed in respect of wheat and reliance will be placed on other measures for keeping prices steady at reasonable levels. In respect of stocks that continue to be hoarded after the introduction of the scheme, confiscation as a mode of punishment will be resorted to, but this will not apply to the cultivators on the one hand nor to the consumers on the other. Closest liaison will be maintained with the provincial Governments in the day-to-day working of the scheme by appointing provincial officers, as ex-officio Central Government officers. Where necessary, the Food Department will locate certain branch offices in the provinces for liaison and co-ordination on behalf of the Centre with the several adjoining Governments and will pay particular attention to the matter of collecting advance information on all-India railway movement programmes, and in particular large dispatches that may involve special transport facilities to be planned at the Centre.

Recommendations of the Council.- The Council reviewed the present food situation and came to the conclusion that statistically the position was such as not to justify any alarm or panic. The main subjects discussed by the Council were the drawing up of "Production Targets" in respect of the principal kharif crops and the ways and means of implementing these, the desirability of curtailing the area under short staple cotton and its substitution by food-grains, the necessity of clarifying the Government of India's policy about entering the market with a view to maintaining agricultural prices at a pre-determined level and the present system of Food Control.

(i) Increased Manure Production.- The Council recommended that the Government of India should bear the cost of training a suitable number of persons in the "Bangalore Process" of converting town refuse into manure and that, after training, such persons should be placed at the disposal of the provincial and major States' Governments on a 50:50 cost basis for demonstrating the process, and introducing it in the major municipalities in the provinces and States.

(ii) Need for All-India Food Plan.- The Council considered the present food situation as revealed by the latest available statistics and were of opinion that statistically the position was such as not to warrant undue apprehension. It was of the opinion that the problem of procurement and equitable distribution of foodgrains was essentially an all-India problem and that it was imperative that for its proper solution a highly centralized control through the Government of India on the basis of an all-India plan should be put into operation without any delay.

then

(iii) 1943 Production Targets.- The Council considered the action taken by the Government of India in urging the provinces to intensify their "Grow More Food" campaign and of drawing up specific production targets in respect of the principal kharif crops for consideration and adoption by the provincial Governments. It also noted with satisfaction

that the Government of India was prepared, wherever necessary, to render financial assistance to approved measures to achieve these production targets. The Council made the following recommendations: Firstly, that where it is necessary in furtherance of the provincial or State plan to ensure the restriction of any non-food crop or crops as means of ensuring that more food crops are sown, suitable legislation should be enacted by the province or State; secondly, that the proposed Director of Production should be requested to consult non-official public opinion in the provinces and States when considering and determining the suitability of the schemes submitted by provincial and State Governments for assistance from the Centre. In view of the importance of the "Grow More Food" campaign, the Council strongly advocated; (a) the clarification of the Government of India's intention regarding the level at which it would enter market and make purchases, if necessary, to support prices at certain pre-determined levels and (b) the announcement of the pre-determined levels shortly. The Council considered the desirability of curtailing the area of short staple cotton and endorsed the resolution passed by the Indian Central Cotton Committee on the subject (vide page 41 of this report.).

(iv) Increased Acreage under Food.- The Council noted the appointment by the Government of India of 2 statisticians, as an experimental measure to investigate, in the first instance in the C.P. and the Punjab, how far the classification of a large area of land as "culturable but not cultivated" was accurate with a view to finding out the extent of such land which could be brought under cultivation. It recommended that the provincial and States Governments should be requested to give all the available "culturable waste" land owned by the Governments for cultivation free of rent and also was of the opinion that as an inducement, the provincial and State Administrations might be requested to offer rewards for bringing under cultivation such lands under food and fodder crops. The Council recommended that provincial and State Governments should be requested to utilize all uncultivated land on the sides of roads, railways, canals (including distributaries), compounds of Government bungalows, prisoners-of-war camps, jails and military camps for growing vegetables and foodgrains or maintaining small dairy-poultry units. The Council endorsed and supported the policy followed by the Government of India in planning vegetable production through the guarantee of purchasing stipulated quantities at pre-determined minimum prices.

(v) Food Control.- The Council considered the present system of Food Control and made the following recommendations: (1) That to the extent and degree necessary the Central Government should exercise control and co-ordination to effect the greatest measures of uniformity in principles and methods. (2) That in regard to food control generally, the Central Government should be the sole authority in the country to exercise the statutory powers necessary to ensure a common plan for the solution of India's food problem. (3) That all measures be taken by the Central Government that would operate to restore public confidence and, in particular, the true facts concerning Army consumption of food stocks, the amount of reserves and the degree of deterioration should be made known.

The Council approved the Food Department's Policy to utilize commercial methods and means to the greatest extent.

(vi) Statistics.- The Council examined the question of improving the machinery of collecting agricultural statistics and recommended that the provincial Governments in Bengal, Bihar and other permanently settled areas should be requested to make provision for the collection of primary statistics of the crops and areas and the necessary financial help should be given to them from the Centre.

(The Statesman, 9 and 10-2-1943.) ✓

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Diversaion of Cotton Acreage to Food Crops:  
Indian Central Cotton Committee's Recommendations. ✓

The Indian Central Cotton Committee, at its meeting held at Bombay on 29 and 30-1-1943, considered the advisability of restricting the acreage under cotton for two reasons: first, the need for diversion of acreage under commercial crops because of the growing food scarcity and, secondly, to ensure, in the ~~interests~~ interests of the cotton grower, that the prices of cotton do not again fall to unremunerative levels as a result of over-production. The Committee noted with satisfaction the decrease of four million acres in the current year's cotton crop, but apprehended that, in view of the relatively high prices for short and fair staple cotton prevailing in the current year as compared with last year, there will be a tendency to grow more cotton of that type in the coming season at the expense of food crops, despite propaganda to the contrary. The Committee, therefore, made the following recommendations:-

- (1) Measures should be taken forthwith to restrict, compulsorily if feasible, the acreage under cotton in the coming season so that it does not exceed the present season's acreage. It should be ensured at the same time that the existing proportion of short to long staple cotton is not exceeded.
- (2) Suitable fair price for food grains should be guaranteed and widely notified well before sowing-time so that the grower may be encouraged to expand his acreage under food crops.
- (3) Suitable concessions should be given as may be most effective according to local conditions in each province or State, such as the supply of seed and manure at cheap rates, reduction of land revenue and rent, etc., to encourage the production of food crops.
- (4) The advisability of removing or adjusting the existing maximum prices for food grains should be examined by Government.
- (5) A Central Crop Planning Board should be established together with Provincial Crop Planning Boards as early as possible to ensure planned production on an all-India basis. This Board should work in close co-operation with the Central Food Advisory Council.

(Summarised from a communication forwarded to this Office by the Secretary, Indian Central Cotton Committee.) ✓

Progress of All India Technical Training Scheme.

A press note issued by the Government of Sind setting forth details regarding the progress of the All-India Technical Training Scheme shows that at the end of November last year (1942)

Food Committees Set Up in Baroda. ✓

The Government of Baroda has ordered the setting up of non-official food committees to assist the Government in the problems connected with the growing and supply of food grains in the State, says a Press note. It adds that the committee will act as a link between the people and the Government in all matters relating to supplies. Baroda City will have 12 committees with 5 members each. Similarly for all the towns of the State and rural areas there will be a separate food committee and a number of sub-committees which will suggest means for increasing the acreage under cultivation and the growing of more food crops and advise



Government on the equitable distribution of food grains, sugar and kerosene.

(The Statesman, dated 9-2-1943.) ✓

*Supplies*  
Position of Food, Fuel, Drug and Cloth in India:  
Three-day Debate in the Central Assembly. ✓

The Central Assembly held a debate on 15, 17 and 22-2-1943 on the present shortages in food, fuel, drugs and cloth in the country as a result of a motion introduced in the Assembly on 15-2-1943 by Mr. N.R. Sarker, the Commerce Member, Government of India.

Mr. Sarker's Speech.- Moving that the situation in India as regards food, fuel, drugs and the production and distribution of standard cloth be taken into consideration, Mr. Sarker pointed out that the net gap in India's ~~foodstuffs~~ total supply of food grains during 1943, after taking into account the increase in her requirements, will not exceed 2,000,000 tons, representing a deficit of not more than 4 per cent. in the total annual production of the principal food grains. In some of the years immediately preceding the war India pulled through equal or bigger shortages without feeling much strain. The carryover from previous years might no doubt have stood in good stead, but even after allowing for this, the estimated deficit as such is certainly not of an order that would warrant any panic or alarm. The scarcity of which they heard so much at present was confined almost entirely to the urban centres of the country. There was no suggestion of a famine in the country but a stringency which it was hoped would be temporary in the urban centres of the non-agricultural population. Explaining the effect of the measures taken by the Government, he said that Government agents operating in the Punjab had been able to purchase over 60,000 tons of wheat as against the 8,000 odd tons which was all that they could purchase during the month previous to the lifting of the price control. These purchases had no doubt been effected at a price considerably above that fixed by the recent control measures. It was encouraging, however, that the price, despite the heavy purchases of the last few days, was still falling, and there was good reason to hope that it would fall still further. The Government, he assured the House, did not propose to relax all control over the trade in grain. While their policy was to free the primary wholesale markets from price control, they contemplated that the retail prices for grains would continue to be controlled on the basis of the free prices prevailing in the primary wholesale markets. Summarizing the present position, Mr. Sarker referred to the steps taken to improve the supply position, and said that in addition to the "grow more food and fodder" campaign, the arrangement for imports of wheat from abroad and the scaling down of export to neighbouring countries there would soon be a drive to cut down all internal wastage of food consumption.

Mr. Sarker referred to standard cloth and said it would reach the market by April, 1943.

Sir Henry Richardson.- Several speakers criticised the utterly inadequate measures taken by the Government to meet the situation. Sir Henry Richardson, Leader of the European Group, took the Government to task for neglecting the problem even though a warning was given in March, 1942, and was repeated during the September 1942 session. The situation was allowed to go from bad to worse and had it not been for the initiative of the commercial community which organised supplies of food-stuffs at their own expense at reasonable prices, there was grave danger of labour leaving mills and factories. He condemned the hoarder, for whom he demanded deterrent punishment. "The imposition of petty fines in the cases which were brought before the courts made Government a

laughing stock", he said. He also referred to press reports that certain unresolved conflicts with provincial Governments have seriously handicapped the Central Government and he remarked that "provinces which, because they happen to have surpluses, take up an attitude of isolation and regard their favourable position as a heaven-sent moneymaking opportunity can ~~not~~ seriously interfere with the position in other provinces and can, by such action, assist and encourage black market dealers". He demanded the assurance that "the new Food Department has the ability to do its job, to convince the provincial Governments of their responsibility to all India, to bring the States and their secret reserves into co-operation, and to see to it that the people of India will not starve."

Other Speakers.- Points were made by other speakers, some of which are summarised below:

Mr. Azhar Ali suggested stopping exports and setting up a committee of officials and non-officials to advise the Government. He also said that there should be no more taxation of the necessities of life. Mr. Hossainbhai Laljee, after referring to acute transport difficulties which had made the movement of foodstuffs impossible, declared that the Central Government should have more authority than the provincial Governments in dealing with the situation. Sir Abdul Halim Ghuznavi criticized the Government's price control policy which "gave rise to corruption and bribery" and said that while prices of wheat and certain other commodities were fixed by the Government and Government agents bought freely at higher prices and thus nullified their own price control, bringing about its complete break-up. He considered that "complete chaos" prevailed in the relations between the Central and the provincial Governments and held that this was responsible for the "chaotic situation" regarding foodstuffs and other necessities of life.

Sir Edward Benthall.- Sir Edward Benthall, the War Transport Member, ~~made a statement~~ on the fuel situation in the country and gave details of the Government's coal provision scheme recently put into operation. He said that a Controller of Coal Distribution had been appointed with headquarters at Calcutta who looked to the dispatch of coal to different parts of India according to a priority list with him regarding Government, military and public needs. He said that a few months ago 13 per cent. or 14 per cent. of the available wagons at collieries in Bihar and Bengal were allotted for the public, but as a shortage of wagons had occurred this percentage had now been reduced to 5, but he thought it was sufficient for public needs. He said the provincial coal schemes were put into operation to ensure equitable distribution, make possible the control of coal prices and maintain distribution trade. According to these, each provincial controller would directly place orders with the collieries in accordance with fixed quotas. The working of the schemes, Sir Edward considered, was dependent on an adequate supply of wagons which was one of the Government's major preoccupations and he hoped there would be a general improvement shortly. After giving details of the coal and soft coke situation in Delhi and Calcutta, the War Transport Member made a reference to charcoal and fire wood supplies and said that the best thing would be that they should be locally organized by the provincial or local Governments but railways would assist in the matter of transport where it was urgently required. Sir Edward also said that the movement of people's food was a matter of the highest importance for the Government and he would gladly receive complaints or suggestions for improvement in this matter.

Mr. J.D. Tyson.- Mr. J.D. Tyson, Secretary, Education, Health and Lands Department, ~~referred~~ referring to the production aspect of food and drugs, assured the House that there had been a remarkable increase in the number of essential drugs produced in India since the outbreak of the war.

Many of these drugs were obtained by Government departments entirely from Indian sources. In some cases, the supply was not at present sufficient either owing to absence of basic raw materials or of plant, or chemicals required for the treatment of raw materials. Turning to the production of food, Mr. Tyson said that as a result of the "Grow More Food" campaign for the kharif season alone 8,100,000 acres of land had been newly brought under food crops, about half of this area by transfer from cotton, and 3 million more tons of food had been produced than in the previous year. The provinces had now been asked to undertake all-out production and to ensure that no desirable scheme was omitted merely for lack of funds the Central Government had offered financial assistance for approved schemes. A Director of Agricultural Production had been appointed who would advise the provinces about their schemes.

Mr. N.M. Joshi.- Mr. N.M. Joshi criticized the Government for its "failure to realize the importance of the food supply problem and for not making plans at the proper time". He thought that greater efforts should have been made to increase the production of foodstuffs and other necessities of life, and not to have launched such campaigns only after the fall of Burma. Moreover, exports to the Middle East should have been stopped long ago. Regarding cloth, Mr. Joshi wondered why textiles were still being exported. He said the Government ought to give priority in imports of medicinal drugs over whisky and other liquors. He pleaded for the enforcement of proper price control throughout India, together with control of supplies, and felt that rationing could solve part of the problem. Finally he urged the creation of a machinery whereby the co-operation and confidence of the people could be secured.

Mr. T.S. Pillay.- Mr. T.S. Pillay, Joint Secretary, Commerce Department, explaining the Commerce Department's viewpoint regarding kerosene and standard cloth, stated that India had never been self-sufficient in the matter of kerosene and had imported the bulk of her requirements from Burma. Kerosene prices were fixed by periodical agreement with oil interests in a manner which eliminated speculation. As for standard cloth, he said that till recently 70 per cent. of the provinces were indifferent to the scheme. After describing the various stages of negotiations with the textile industry, he said that notwithstanding the attitude of the provincial Governments, the Central Government in November, 1942, booked orders for the supply of a certain quantity of standard cloth, and in January 1943 they reached a settlement with the millowners under which the latter had agreed to allot 50 per cent. of their manufacturing capacity for the production of this cloth and to meet the needs of the Supply Department. The prices of standard cloth would be fixed by the Government and not by the industry. Their aim was to produce durable though not very attractive cloth to meet the requirements of the poorer classes. The Government would allocate quotas and supply standard cloth to the provinces participating in the scheme. A standard Cloth Commissioner with headquarters at Bombay had ~~xxxx~~ already been appointed. It was expected that 50 million yards of standard cloth would be made available during the next 3 months.

Mr. Lawson.- Mr. Lawson felt that agricultural statistics were mere "conjectures" and required better organization. He emphasized the imperative need of Government cutting out dealers where there was shortage on account of manipulation by the latter. He also stressed the need of publicity to eliminate uneconomic crops and methods of production. Lastly, he urged the co-ordination of central and provincial activities for the ~~xxx~~ food drive in all its aspects.

Major-General E. Wood.- Major-General E. Wood, Joint Secretary, Food Department, replying on behalf of the Government gave in comprehensive

detail the Government's scheme to solve the food problem as it related to the procurement and distribution of food in different parts of India. In the matter of procuring normal surpluses, the Government considers that there should be the minimum of impediment and obstacle to the farmer bringing his produce to the market where he can hope to get a reasonable price. It is at this point that the Central Government proposes to acquire surpluses and intend that there should be both control over the price and control over both the movement and distribution. Referring to the exports of food-grains, he said they were substantially lower than they were in past years, and they were being further cut down. He repudiated the charge that the military were hoarding and said that the stocks held by the Defence authorities could be counted in terms of weeks. The total annual defence requirements today plus the diminishing civil exports of today were comparable in terms with the average of exports for the 3 years before the war. Coming to the question of punishment for hoarders, he expressed the hope that the new penalty of confiscation, in conjunction with the existing penalties and of imprisonment and fine, would be used in a salutary and effective manner. As regards the consumer-hoarders, whose panic buying results in the disappearance of working margins and working balances from retail shops, and whose nervousness gives opportunity to unscrupulous traders, he said that every one of them should be made to realize that it was he who was grinding the faces of the poor. Major-General Wood reminded the House of the results achieved by the abolition of price control on wheat and said that not only had black market prices of wheat broken but the prices of bajra and jowar had subsided and conditions in the retail market had become easier. He claimed that certain stocks were progressively coming into circulation and that the prices of different foodgrains were being brought into line with the normal relationships. Referring to the comments made on the apparent lack of co-operation between the provinces and the Centre, he assured the House that there was very marked anxiety on the part of all provincial Governments to play their part in solving this all-India problem. He said he was hopeful of bringing the divergencies of method into line and very shortly replacing extemporized arrangements with permanent machinery that would fulfil, ~~he declared,~~ the purposes the Central Government had in view. For this purpose, a conference was being held with the provinces very soon.

(The Statesman, 17, 18 and 23-2-1943.) ✓

#### Food Expert for India Appointed. ✓

The Government of India has arranged with the British Government for the temporary loan of the services of an expert from the Ministry of Food to study the situation in India and advise them as to the lines on which Government action may best be taken to remove the existing difficulties. The Government of India with the assistance of the various Provincial Governments and, it is hoped, of the States also, intend to set up Government agencies to buy up major food grains in the markets for the purpose of meeting the needs of deficit areas. It is considered that the advice of an expert with a wide experience of the system of Government control of foodstuffs in Great Britain would be invaluable to the Government of India in perfecting the projected control in this country. For this purpose the British Government has loaned the services of Mr. H.D. Vigor, O.B.E.

(The Hindu, 16-2-1943.) ✓

All-India Food Conference, New Delhi, 24, 25 and 26-2-1943.  
Central Government's Plan to Stock huge Feed Reserves.

An All-India Conference of the Central and Provincial Governments representatives for considering problems connected with the food position in the country and to discuss a plan that has recently been drawn up by the Central Government, was held at New Delhi on 24, 25 and 26-2-1943. Details of the discussions are not available, as the Conference was not open to the Press.

The Special Representative of the Statesman at New Delhi has, however, reported that at the opening session, presided over by Major General Wood, the Central Government outlined a plan for purchasing from surplus areas large stocks of all major feed grains. The keypoint of the plan was the creation of a large mass of Government reserves as a means of ensuring equity of distribution. The magnitude of the contemplated operations could be gauged from the fact that of the marketable surpluses the annual figure for rice was 10 million tons, and for wheat 4 million tons. While the Government did not propose securing the whole of these surpluses, a substantial portion of them would be purchased. Emphasis was laid by General Wood on the stabilizing influence of such a huge reserve in the hands of the Government on both the all-India price position and the supply position. The reserve would be collected soon after the harvest and would be used for equalizing operations during the period up to the next harvest.

Provincial representatives were given free scope to <sup>express</sup> their views from their different angles, and discussion centred on the need for a high degree of ~~executive and administrative control from the Centre.~~ The deficit areas favoured highly centralized control as a guarantee of their minimum requirements being met. These provinces which have not yet decontrolled wholesale prices wanted an assurance that Central control would be effective before they fell into line with an all-India plan.

On the second day all operative and financial details of the scheme were discussed and examined by two sub-committees of the Conference and agreement was reached on all matters. The recommendations of the two sub-committees were accepted at the plenary session of the conference on the third day.

(The Statesman, dated 26-2-1943, and  
 (the Hindustan Times, dated 27-2-1943).+

stimulating Country Craft Traffic on West Coast of India:  
Sorley Committee's Report and Government Action Thereon. ✓

References were made at pages 37-38 of our August and page 41 of our November 1942 reports to the appointment of the Sorley Committee to enquire into the possibilities of developing and organising on a more efficient basis the greater use of sea-going country craft on the West Coast of India. Below is given a summary of the Committee's Report and the action taken by the Government of India on it:

Committee's Report: (1) Existing Situation.- Rationalisation of country craft traffic mainly by raising their coefficient of carrying capacity, the establishment of a Country Craft Intelligence Organisation, the improvement of facilities to country craft at ports, and the construction of 20,000 tons of additional craft are the main recommendations of the Sorley Committee. The Committee estimates that existing country craft are transporting on the West Coast ~~from~~ between Karachi and Cochin about 1½ million tons of cargo per season. This trade is not, however, organised, being carried on by a large number of small owners carrying on their business independently. There is no association of country craft owners, nor any individual owning more than a few craft except that in Cochin, Calicut and Mangalore there are certain firms who own and employ a considerable number of boats in traffic in inland waters or for lighterage in ports. There are no agencies through which country craft can be organised and there is no uniform system under which traders can book ~~their~~ cargoes or store them in warehouses. In many cases traders owning ~~their own~~ boats send them to distant places in ballast as they do not know whether any cargo is available at intermediate ports. In certain areas traffic by country craft is extremely ill-balanced resulting in empty ~~return~~ voyages in one direction. For these reasons, country craft only carry about seven tons a season per ton of registered tonnage. The Committee considers that they could carry at least 9 tons by proper organisation.

The Committee estimates the number of coastal craft plying on the West Coast at 4,800 with a total tonnage of 200,000 giving an average tonnage per craft of 42. This fleet is transporting up and down the West Coast between Karachi and Cochin about 1½ million tons of cargo per season. By the improved organisation proposed, the capacity of the fleet can be raised to 1,900,000 tons, that is, it can be made to carry 400,000 tons more than it is now doing. If the tonnage to be eventually transferred from railways is to be 680,000 tons, there will be a balance of 280,000 tons for which there is no capacity and which can only be carried by the building of new craft. The Committee recommends that 20,000 tons of new craft should be built.

(2) Recommendation regarding Organisation.- The Committee considers that organisation can be effected in one of two ways, namely, (1) by balancing traffic in areas where imports and exports are now unbalanced; and (2) by cutting out delays in ports. To implement its main recommendations, the Committee suggests the setting up of a Country Craft Organisation Office, with headquarters at Bombay, under the charge of a Country Craft Organisation Officer. A number of Intelligence Officers, stationed at the chief ports and supplying data regarding craft and cargo available, will assist the Officer in his work. Besides organising country craft on a more efficient basis, the Officer will maintain a liaison with other authorities interested in the employment of country craft. The whole organisation is expected to cost Rs. 42,000 a year. Increased facilities to country craft by providing better arrangements for them at Bombay and

Karachi and by improved customs procedure at all ports are recommended.

(3) Diversion of Railway Traffic.- The question of diverting railway traffic to country craft was discussed by the Committee with a number of Railway Administrations concerned. The Committee comes to the conclusion that 681,000 tons of traffic a year (exclusive of Sind) could possibly be so diverted. It recommends that traffic should be released from railways by stopping goods booking in particular areas for all goods capable of being transported satisfactorily by country craft. This diversion should be undertaken in accordance with public need and, as far as possible, in consonance with public convenience. The mechanism of diversion should be by co-ordination between the Controller of Railway Priorities and the Country Craft Organisation Officer.

(4) Insurance and other Problems.- The Committee has not recommended that Government should assume any direct control over country craft. It has recognised that public co-operation will be essential if the scheme is to succeed. For example, the Committee recommends that brokers at ports should be registered on a voluntary basis so that they might assist Intelligence Officers in organising traffic. It expresses the view that marine risk insurance should be left to private companies as at present, but the difficulties now facing the insurance companies should be examined to see if any improvement in the system is possible. As regards war risks insurance, it says that this should be left optional with consignors and consignees and not undertaken by the Government of India. It is not recommended that freights of country craft should be controlled compulsorily; the Committee thinks that various devices might be employed to influence the movement of freight rates equitably.

Government Action on the Report.- The Government of India has accepted these recommendations and is setting up an Intelligence Organisation, in accordance with the recommendations of the Committee. The new organisation will consist of a Country Craft Organisation Officer, with headquarters at Bombay, three whole-time Intelligence Officers to be stationed at Bombay, Karachi and Calicut and Intelligence Officers at all Customs ports between Karachi and Cochin. Rao Bahadur Maneklal Tallubhai has already been appointed Country Craft Organisation Officer.

("Indian Information", New Delhi,  
dated 15-1-1943.) ✓

GENERAL.Resignation of three Members of the Viceroy's  
Executive Council.

Three members - Sir H.P. Mody, Member for Supplies, Mr. N.R. Sarkar, Member for ~~Indians Overseas~~ Commerce and Food, and Mr. M.S. Aney, Member for Indians Overseas, - tendered their resignation from the Viceroy's Executive Council on 17-2-1943. In a joint statement issued to the Press on 18-2-1943, they point out: "All that we desire to do is to say by way of explanation that certain differences arose on what we regarded as a fundamental issue (the issue of the action to be taken on Mahatma Gandhi's fast) and we felt we could no longer retain our offices. We wish to place on record our warm appreciation of the courtesy and consideration his Excellency the Viceroy extended to us throughout the period during which we had the privilege of being associated with him in the government of the country".

(The Gazette of India Extraordinary,  
dated 20-2-1943, and the Hindustan Times,  
dated 19-2-1943).+



Social Policy.-

- (1) Department of Labour, Government of India. Standing Labour Committee: First meeting (held at New Delhi on the 30th November and 1st December 1942). Summary of Proceedings. December 1942.
- (2) Department of Labour, Government of India. Standing Labour Committee: Second meeting (held at New Delhi on the 25th January, 1943). Summary of Proceedings. February 1943.

Economic Conditions.-

The Millowners' Association, Bombay. Cotton Spinning and Weaving Mills working and in the course of erection in India on 31-8-1942 (three ~~charts~~ ~~statements~~ *Tabulated Statements*).

Employment, Unemployment and Vocational Training.-

"Bengal's Trade and Bengalis" by D.K. Sanyal, Calcutta University. (price 4 annas.)

Social Policy in War Time.-

Government of India, Department of Labour (Office of the Chief Adviser, Factory A.R.P.):

- (1) A Summary of Air Raid Precautions applied to Factories (price Re. 1-4-0 or 2s.);
- (2) Supplement to the above: "Notes on A.R.P. Planning and Construction ~~of New Factories or extensions~~" (price 3 annas or 4d.);
- (3) Appendix I to the Summary (price annas 2 or 3d.);
- (4) Appendix II to the Summary (price annas 2 or 3d.).

Published by the Manager of Publications, Delhi. 1942.

Miscellaneous.-

Administration Report of the Municipal Commissioner of the City of Bombay for the year 1941-42. Bombay: Municipal Printing Press, 1942. +

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INTERNATIONAL LABOUR OFFICE  
INDIAN BRANCH  
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Report for March, 1943.

N.B. Each section of this report may be taken out separately.

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NATIONAL LABOUR LEGISLATION

Ajmer-Merwara

Amendment to Ajmer-Merwara Factories Rules, 1939:  
Persons holding Position of Supervision or Management.

The Chief Commissioner, Ajmer-Merwara, has amended the Ajmer-Merwara Factories Rules, 1939, so as to substitute for the existing Rules relating to persons holding positions of supervision or management certain new Rules.

(Notification No. A/12-17 dated  
25-2-1943: The Gazette of India, Part  
II-A, dated 6-3-1943, pages 95-97.)<sub>+</sub>

Bombay. -

Date of Introduction of the Industrial Statistics Act in Bombay

The Government of Bombay has issued a notification to the effect that 1-3-1943 has been fixed as the date on which the Industrial Statistics Act, 1942, comes into force in the province.

(Notification No. 3893/34 dated 1-3-1943:  
The Bombay Government Gazette, IV-A, dated  
1-3-1943, page 36.)<sub>+</sub>

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CONDITIONS OF WORK

Hours of Work

Working Hours Raised from 54 to 60 in Jute Mills

The Committee of the Indian Jute Mills Association, at a meeting held on 12-3-1943, decided on an increase in the number of working hours in jute mills from 54 to 60 hours per week with the full complement of looms working. At present mills are working 54 hours per ~~week~~ week with 10 per cent. of the looms sealed. The increase in the number of working hours is to take effect from 15-3-1943, and will remain in force for two months in the first instance.

(~~The~~ "Indian Finance", Investor's  
Supplement, dated 13-3-1943, page 453)  
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3.

## Industrial Disputes

### Industrial Disputes in British India in the second quarter of 1942 .

According to the statistics published by the Department of Labour, Government of India, the number of industrial disputes that occurred in British India during the second quarter of 1942 (1-4-1942 to 30-6-1942) ~~was~~ was 128, entailing a loss of 821,341 working days; the number of workers involved was 117,332.

A press note dated 4-4-1943, issued by the Government on the subject, points out that these figures show a marked decrease compared to the figures of the previous quarter of the year, the corresponding figures being: number of strikes - 184; workers involved - 233,694; and working days lost - 1,941,372. The number of strikes in which more than 5,000 workmen were involved was only 4 in the second quarter, as against 12 in the first.

Provincial Distribution.- During the period under review the largest number of strikes occurred in the Province of Bombay, where 299,540 working days were lost in 56 disputes involving 37,218 workers. In Bengal there occurred 29 disputes involving 21,873 workers and entailing a loss of 119,798 working days; C.P. and Berar lost 75,559 days through 15 strikes involving 22,186 workers; Madras - 221,190 days in 8 strikes involving 17,802 workers; the Punjab - 39,947 days in 7 strikes involving 4,712 workers; the United Provinces - 17,331 days, through 6 strikes involving 4,465 workers; Bihar - 12,744 days through 3 strikes involving 2,874 workers; ~~and~~ Delhi - 34,332 days through 2 strikes involving 5,842 workers; and Sind - 900 days through 2 strikes involving 300 ~~men~~ workers.

Classification by Industries.- Classified according to industries, the number of strikes was 51 in the cotton, woollen and silk industries, involving 61,843 workers and entailing a loss of 368,051 days. The corresponding figures were 15 disputes, 13,086 workers and 109,273 days for engineering workshops; 4 disputes, 7,171 workers and 34,879 days for jute mills; 1 dispute, 7,100 workers and 106,500 days for Railways and Railway Workshops; and 1 dispute, 800 workers and 3,200 days for ~~mines~~ mines. The other remaining industries together lost 199,438 days through 56 disputes involving 27,332 workers.

Results.- Of the 128 strikes, 71 were related to questions of wages, and 15 to ~~bonus~~ bonus. 25 of them were successful, 34 partly so, and 60 unsuccessful. 9 were still in progress on 30-6-1943 at the end of the quarter. .

## General

### Conditions of Work on Indian Railways, 1941-42\*

The following details regarding conditions of work of employees on Indian Railways are taken from Vol. I of the Report of the Railway Board on Indian Railways for 1941-42 which has been recently published.

**Number of Employees.**- The total number of employees (permanent and temporary) on all Indian Railways and in the office of the Railway Board and other offices subordinate thereto (excluding staff employed on construction) at the end of the year 1941-42 was 757,674 as compared with 728,099 at the end of 1940-41. The total route mileage at the end of the year was 40,477. The following table shows the number of employees by communities on the 31st March 1941 and 1942.

	31st March 1941	31st March 1942
Europeans	2,143	1,934
Hindus other than Depressed Classes.	414,105	427,321
Depressed Classes	107,066	111,572
Muslims	160,912	172,519
Anglo-Indians and Demi-cilled Europeans.	13,239	12,242
Sikhs	8,503	8,785
Indian Christians	18,758	20,040
Parsis	1,531	1,558
Other Communities	1,842	1,703
<b>Total</b>	<b>728,099</b>	<b>757,674</b>

A comparison of the figures for 1941-42 with those for the previous year shows that the total number of staff employed on the open lines of State and Company-managed Railways increased by 33,604 during the year, but the number of construction staff decreased by 861 while the number of staff on loan from the Indian Audit and Accounts Service decreased by 1. The total cost of staff, including that of staff on loan from the Indian Audit and Accounts Service, increased by Rs. 28,057,550 to Rs. 391,429,247 during the year. Increases were recorded both in the numbers and cost of staff on all railways except the East Indian, South India and Assam Bengal Railways. On the former two there was a decrease in number as well as in cost. The general increase in numbers was due to employment of additional staff to cope with the increased traffic. Apart from the cost of the extra staff, the dearness and A.R.P. allowances also contributed to the rise in cost.

**Indianisation of Staff.**- The Indian element in the superior services has risen from 43.40 per cent. on State-managed and 33.21 per cent. on Company-managed Railways in 1934 to 64.14 per cent. on State-managed and 57.26 per cent. on Company-managed Railways in 1942. In the subordinate services, the Indian element which in 1934 constituted 78.35 of the staff in state-managed railways and 82.24 of the staff in Company-managed railways had risen by 1942 to 88.35 and 90.86 per cent. respectively.

\* Government of India, Railway Department (Railway Board). Report by the Railway Board on Indian Railways for 1941-42, Volume I. Published by the Manager of Publications, Delhi. 1943. Price: Rs. 1-10-0 or 2s.6d. pp. viii + 36.



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Representation of Minority Communities.- During the year under ~~xxxx~~ review, the Anglo-Indian community did not obtain its quota of permanent and temporary posts. This was due to qualified members of this community not offering themselves for appointment on railways in adequate numbers. The Muslims also could not secure their full quota of permanent appointments though they obtained more than the percentage prescribed for them in temporary posts. The reasons of their deficiency in the former category were the abnormally high recruitment on Company-managed Railways which have as a group lower percentage reservations for Muslims than State-managed Railways, and the failure of the Assam Bengal, Rohilkund and Kumaon and South Indian Railways to recruit Muslims up to their respective quotas. The state-managed Railways were, however, able to recruit Muslims in excess of their reservations. In the reports for the previous two years, it was mentioned that Mr. Frank D'Gouza, who had been placed on special duty in 1939 to review the working of the rules and orders relating to the representation of minority communities in the services of State-managed Railways, had made a number of recommendations designed in his view to give greater confidence to minority communities. About the close of the year under review, these recommendations were placed before the Central Advisory Council for Railways, but orders could not be issued by Government in regard to them during the year.

Training of staff.- The School of Transportation at Chandausi and the Technical School at Jamalpur on the East Indian Railway are continuing their work of training candidates on first appointment and providing refresher courses to staff already in service. The Walton Training School of the North Western Railway has likewise continued its work of affording instructions to recruits and other employees.

Meeting with A.I.R.F.- The 20th half-yearly meeting between the Railway Board and the All India Railwaymen's Federation was held in Bombay on 6-8-1941, at which (a) the extension of Provident Fund benefits, (b) the working of the Dearness Allowance Rules, (c) blocks in promotion of lower paid staff, (d) principles to be adopted in regard to staff on the transfer of railways from Company to State management and (e) grievances of certain Accounts staff, were discussed. There was also a special meeting between the Railway Board and the Federation on 20-3-1942 at which discussion was confined to certain matters arising out of the war.

Grain Shops.- The question of setting up grain shops at the larger railway workshop centres for retail sale of food grains to employees at controlled prices was taken up in September 1941 in connection with rising prices. The East Indian and Great Indian Peninsula Railways were the first to make arrangements for such shops and by the end of the year, conditions of scarcity occurring in many parts of the country dictated a wide extension of these grain shops to meet this emergency.

Dearness Allowance.- It was mentioned in the last year's report that a dearness allowance was granted to Railway employees with effect from September 1940 after consideration of the report of the Court of Enquiry appointed in this connection and in the light of discussions held with the All-India Railwaymen's Federation. The rising trend of prices was maintained throughout the year and it soon became apparent that a revision of the dearness allowance would be necessary. After a further discussion with the All-India Railwaymen's Federation, an increase of 50 per cent. in the allowance was sanctioned from 1-11-1941, the scope of the allowance being also considerably extended. With this increase, the scale of the allowance stood as indicated below at the close of the year:-

Bombay and Calcutta (including suburbs).	Rs. 4-8 per mensem to those drawing Rs. 70 per mensem and below.
Cities of 100,000 and over inhabitants (according to 1941 Census) and certain selected areas.	Rs. 3-12 per mensem to those drawing Rs. 60 per mensem and below.
Other areas.	Rs. 3 per mensem to those drawing Rs. 35 per mensem and below.

(a) Railway Staff and War. - Release of individual officers for technical War work. - During the earlier part of the year the Railway Board continued to spare officers for service in other Departments in connection with the War. Later, however, the pressure of railway work consequent on increased traffic, both military and public, did not permit of the release of officers as freely as before. To meet the requirement for officers, to replace those deputed to other Departments and to provide officers for increased work, a certain number of officers were granted extensions of service and temporary officers were also employed.

(b) Release of non-gazetted staff. - Non-gazetted staff, with technical qualifications, continued to be released for service in the Supply and War Departments.

(c) Labour Training Scheme. - During the year under review, Railways continued their assistance to the scheme organised by the Labour Department for the training of technicians for war service either overseas or in India.

(d) Bonus and special pay to certain staff engaged on War work. -

(i) The Railway Board sanctioned a bonus at the rate of one day's pay for each completed month of continuous employment, from the 3rd September 1939 to date of cessation of hostilities, in favour of temporary, non-gazetted staff employed in railway workshops engaged wholly or in part on munitions production, subject to certain conditions.

(ii) The Railway Board have also sanctioned special pay to non-gazetted supervisory staff employed in Mechanical Workshops up to 10 per cent. of pay for each such employee or Rs. 50 per mensem whichever is less if such staff work in excess of an average of 54 hours per week.

(Conditions of work on Indian Railways in 1940-41 <sup>were</sup> reviewed at pages 9-11 of our March 1942 report.)

Service Conditions of Railway Employees:  
Motion for setting up Independent Tribunal for disposing of  
Service appeals lost in the Central Assembly. +

On 18-2-1943, Mr. Jamnadas Mehta moved a resolution in the Central Legislative Assembly, expressing dissatisfaction with the remedies at present open to certain railway employees against supersession, discrimination, etc., and recommending the setting up of an independent body like the Public Service Commission to investigate and dispose of railway employees' grievances.

On 25-2-1943, when the resolution was taken up for discussion, Mr. Mehta gave instances in which, he contended, justice had not been done to employees with grievances and pointed out that the real difficulty was that railway officials charged with the duty of hearing appeals had no time to give proper attention to details of the appeals, burdened as they were with their ordinary duties. An independent body of judicially-

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minded men was therefore necessary to go into these appeals and ensure justice.

Nawab Siddique Ali gave more instances, which he claimed, strengthened the demand made in the resolution. Mr. F. Anthony characterized the existing procedure of hearing and disposing of appeals as farcical. Mr. Lalchand Navalrai pointed out that because the ordinary courts had no jurisdiction to deal with the appeals of railway employees it was all the more necessary that an independent body should be set up.

In his reply to the debate, Sir Edward Benthall, War Transport Member, Government of India, after dealing with some individual cases of supersession mentioned by previous speakers, pointed out that these were cases of disgruntled men and formed a very small percentage of the total cases of promotion throughout the railways and must be set against the large numbers of contented men who justly got promotions. He reminded the House that it was as important to encourage good and efficient men as to see that injustice was not done to men who in the interest of efficiency had to be superseded. He claimed that there were thousands of officers who carried out their duties conscientiously and carefully in the matter of appeal, but he nevertheless proposed once again to issue instructions to all concerned that proper check should be kept to see that appeal procedure was fairly carried out. He could not accept the resolution for he could not agree to railway employees appealing to an authority outside the railways concerned.

Mr. Jammadas Mehta, after replying to Sir Edward's points, concluded with an appeal to the War Transport Member to appoint two judicial officers to the Railway Board whose sole duty would be to examine cases of the kind mentioned in the resolution and whose recommendations the Railway Board would consider before coming to decisions.

Replying to the demand, the War Transport Member pointed out that there were members of the railway staff solely entrusted with the work of disposing of appeals and that though they might not be judicially trained they certainly were judicially minded. He was, however, prepared to consider whether the department could find judicially trained as well as judicially minded officers, for deciding appeals preferred by railway employees.

(The Statesman, dated 26-3-1943.).

#### Conditions of Work of Assam Tea Plantation Labour: Discussion in Assembly and Council of State.

The conditions of life and work of labourers in the Assam tea plantations and the desirability of appointing a Committee to inquire into them were raised on 23-3-1943 in the Central Assembly during discussion of a Government Bill to amend the Indian Tea Control Act with a view to extend the measure for the period of the war and 2 years thereafter.

Mr. N.M. Joshi, supporting a motion for circulation of the Bill, dwelt on the plight of the plantation workers and said that their wages were the lowest paid to industrial labour in this country - Rs. 7 to Rs. 8 a month to male workers, Rs. 5 or Rs. 6 to a woman, and Rs. 4 or Rs. 5 to a child. He conceded the fact that they obtained certain concessions, such as one-fifth of an acre of land each for tilling, huts to live in, and fuel. Their hardships were nevertheless considerable. They suffered from restriction on freedom of movement. Labour legislation such as the Payment of Wages Act or the Maternity Benefit Act did not apply to them. The reforms suggested by the Labour Commission (Royal Commission on Labour) 12 years ago had not yet been carried out.

Conditions were now, more than ever, favourable, said Mr. Joshi, for introducing those reforms, because planters were making more money than ever. Mr. Joshi also pointed out that when the Government of India insisted on improvement of labour conditions in Ceylon, it could not itself allow present conditions in tea plantations in India to remain unchanged.

Mr. P.J. Griffiths, speaking for employers, stated that the conditions in the plantations were very different from what they were in factories and other forms of employment. The perquisites that the tea labour got in addition to their wages were nearly as much as the wages themselves. The industry had introduced the system of sale of grain at cheap rates to their labour almost within three months of the outbreak of war., which, he thought, was more beneficial to them than having their wages doubled. Even in the few instances in which improvements had not reached a desirable standard, he observed, planters were willing to adopt the necessary measures. He felt that any hasty action taken by Government by way of introducing legislation would be unwise.

Replying to the debate, Dr. B.R. Ambedkar, Labour Member, Government of India, claimed that the Government could not be seriously blamed for much, for of the 5 main recommendations of the Labour Commission, 4 were fundamentally of provincial concern, and one, the establishment of a wage fixing board, had been given effect by the Centre and an Act was already on the Statute Book. As regards the other 4 recommendations, neither the Assam Government nor Mr. Joshi himself moved in the matter until, at the instance of the Central Government, the Congress Government in Assam appointed a committee of inquiry. But that committee languished following a conflict within itself. Soon after that the war broke out.

As regards the protection of labour interests, Dr. Ambedkar declared that the Government regarded it as of paramount importance. No exact data were available of wages on tea plantations, but it was noticeable that conditions on the plantations were unregulated and varied enormously from garden to garden. That was a state of affairs which the Government of India would not tolerate. It was also clear that the Government could not enter upon any legislation unless they had sufficient material brought before them as a result of an impartial inquiry. An inquiry of this nature was one of the riders put forward by the Labour Commission itself. He agreed with Mr. Joshi that it was not open to the Government of India to insist on fair conditions for labour in Ceylon and not apply the same standards to labour in India, particularly when the Government of India had laid down that wherever restrictions on labour were found necessary, owing to the war, fair conditions of work should also be imposed. Whatever they might have been, conditions at present were such that the planters could bear the weight of better wage standards.

It would not be right to start any inquiry in Assam or Bengal, where the bulk of the plantations existed, some 607,000 acres, because it would have a disturbing effect in areas which were greatly exposed to enemy action. The Government could begin an inquiry into the plantations in southern India, but the acreage there was only 163,000, representing a very small proportion of the total tea area in the country, and it seemed to the Government of India that no good could accrue to labour as a result of an inquiry into such a small part of the area.

The motion to circulate the Bill was lost.

(The Statesman, 24-3-1943.).

Economic Condition of Lower Middle Class Persons in  
Service in Baroda City.\*

In the first half of 1941, the Baroda Economic Association conducted an enquiry into the economic condition of the lower middle classes in service in Baroda City. ~~By~~ The term "lower middle class persons in service" means for the purposes of the enquiry, male persons in service in Baroda City whose earnings did not exceed Rs. 100 per month. The intention was to include as large a number and as wide a category of persons as possible, but in the end, the enquiry was limited to clerks in Government offices and school teachers in Government and private schools, mainly for the reason that data regarding these people are likely to be more reliable than those for other sub-groups. The class excludes salaried menials, and stands between the wage earners, other than the skilled on the one hand and the more prosperous middle class on the other. Explaining the reasons for selecting this group for special study, the report points out: "The lower middle class occupies a peculiar place in the structure of modern society. In terms of ~~a~~ income, its members are, slightly, if at all, better off than the better paid skilled workers; but in respect of preferences, inclinations and aspirations, they belong to a larger group of which the other sections are the upper middle class and the rich. The lives of many of them must, therefore, be a continuous and often unavailing conflict between limited means and exacting ends." The main facts elicited by the inquiry are briefly noticed below:-

scope of Enquiry: Returns received.- Questionnaires were distributed among the persons concerned at the beginning of the year 1941. 800 forms were distributed and answers were received from 233 persons. The material collected, though not very large, warrants tabulation.

Ages of Earners; Size of Family; Average Monthly Income.- Two-thirds of the earners out of the 233 were in the ages 25 to 44; over 70 per cent. of them were married and had about four mouths to feed and more than 4/5ths of them were educated. The modal income of the class lay between Rs. 50 and Rs. 60 per month. The representative member of the group is thus the educated married person, somewhere in the middle ages, with an income of between Rs. 50 and Rs. 60 a month, and having a family, the ~~man~~ equivalent of four adults from the point of view of consumption requirements. But somewhat more than 2/5ths of the families were worse off than that of the representative member.

Income per Consumption Unit.- When the income of the family is related to the number of consumption units, the concentration of poverty is seen to be greater. The average Single family <sup>(Single family)</sup> consists of the husband and wife and their non-earning children. All other families are regarded as Joint. Of the 233 families studied, 139 or 64 per cent. were Single families and the remaining 94 or 36 per cent. were joint families) had ~~an~~ an income of Rs. 17.5 per consumption unit, and the average Joint family Rs. 10.8. But the poorer families (poverty being judged by income per consumption unit in a family) had more than the average share of mouths to be fed and young persons to be brought up. An equally significant fact is that the income per consumption unit in Single families declines after the earner attains the age ~~a~~ 35, that is exactly when his responsibilities must be on the increase. Members of Joint families were uniformly worse off than those who belonged to Single families.

"An Enquiry into the Economic Condition of Lower Middle Class Persons in Service in Baroda City" by D. Ghosh, M.A. (Cantab.), Bar-at-Law, and D.S. Dighe (Kathiawad Diwanji), M.A. Bulletin No. 5, issued and published by the Baroda Economic Association. 8 As. pp. 36.

Monthly Expenditure Budget.- Turning to expenditure, the average family spent its monthly income roughly in the following manner: Rs. 25 on food; Rs. 8 on rent; Rs. 7 on clothes; Rs. 3 on education and medical services severally; and Rs. 2 on transport. After defraying these well-established expenses, it had left on its hand about Rs. 8 to meet the various other defined and undefined contingencies of existence. Looking at these expenses as fractions of its total income, it spent 8 annas in the rupee on food, slightly more than 2 annas on rent and on clothes, an anna on education and on medical services, and half an anna on transport. When these wants had been provided for, it had 2 annas in the rupee still unspent, so to say, with which to beautify life or reduce its ugliness.

Expense per Consumption Unit.- The story takes on a darker shade when the family expenditure is reduced to expenses per consumption unit. For each adult member, the average family spent about Rs. 7 per month on food, Rs. 2 on clothes and on house accommodation, about a rupee on his health and education and 8 annas in moving him about from place to place. It gave him a surplus of Rs. 2 with which to satisfy other needs of life.

Increased Cost of Living since 1941.- The report (published in November 1942) points out that the enquiry was carried out in the first half of 1941 and that since then prices of all things have gone up by big percentages. "Each rupee now buys decidedly less than what it bought last year of various things and services that we consume, and the real standard of life of our class to-day must be lower than what it was 12 months ago." -

Working Class Cost of Living Index Numbers for  
various Centres in India during October and November 1942. +

The index numbers of the cost of living for working classes in various centres of India registered the following changes during October and November, 1942, as compared with the preceding month:

Name of Centre	Base = 100	September, 1942	October	November
Bombay	Year ending June 1934	170	172	178
Ahmedabad	Year ending July 1927	117	121	137
Sholapur	Year ending January 1928	118	129	143
Nagpur	August 1939	183	184	190
Ludhiana	1931-35	228*	238	
Cawnpore	August 1939	202	206	224
Patna	Average cost of living for ) five years preceding 1914.)	204	220	228
Jamshedpur	Ditto	229	244	242
Jharia	Ditto	255	250	234
Madras	Year ending June 1936	146	152	156
Madura	Ditto	148	152	153
Coimbatore	Ditto	145	166	170

(Monthly Survey of Business Conditions  
in India for November 1942.) -

\*The figure for August 1942 was 222.

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Indian Central Sugar Committee to be set up

The setting up of a Sugar Committee on the lines of the Indian Central Cotton Committee to plan the future development of the sugar industry in India is reported to be under the consideration of the Government of India. The Government feels that the industry has made such vast strides that a Committee like the one proposed is essential, and it is now engaged in settling the details of the constitution of the Committee and the question of financing it from the Sugar Excise Fund. It is estimated that the cost of the Committee per annum will be between Rs. 1.1 and 1.2 million. Representatives of growers, manufacturers and sellers are expected to be on the Committee.

(March 1943 issue of the Bulletin published  
by the Indian Central Jute Committee,  
Calcutta.) +

Government of India's Plans for Sickness Insurance  
legislation: Professor Adarkar appointed to draw up Scheme.

The Government of India has accepted the advisability of introducing a scheme of sickness insurance for industrial workers and has appointed Professor Adarkar of the Allahabad University as Special Officer to prepare a tentative scheme which is, in the first instance, to be applied to the cotton and jute textile industries and heavy engineering industries.

In this connection, it is understood, there may be a central sickness insurance fund to which contributions will be made by the employers and employees in certain specified proportions and in case of any deficiency assistance by way of a guarantee is likely to be given by the Provincial Governments concerned. For the preparation of the scheme there will be, it is believed, a panel of advisers representing employers and workers' associations to advise the special officers, entrusted with the preparation of the scheme, in his work, and expert assistance of the office of the Superintendent of Insurance, Bombay, may also be at his disposal. The tentative scheme may, in due course, be circulated to elicit the opinions of the employers and employees' associations, and of the provincial Governments; thereafter it may be embodied in suitable legislation.

(The Leader, 19 and 20-3-1943.)†

Compulsory Life Insurance of Government Employees:  
Jaipur State Government Adopts Scheme.

The Government of Jaipur State has sanctioned a scheme for the compulsory life insurance of all Government servants getting Rs. 15 and upwards. Premium at the rate of 5 per cent. of pay will be deducted from the salaries of all policy-holders and credited to the Jaipur State Life Insurance (Government Servants) Fund. The Government has also guaranteed the payment of benefits and other sums payable under the insurance contracts out of its revenues. A special feature of the scheme is that "money payable to the policy holder or to his nominees or legal representatives under any policy issued by the Insurance Committee will not be liable to attachment under order of a court of law prior to the payment of the same to the persons to whom the payment is to be made under these rules. The policy will not cover war risks in the event of any such person, on whose life a policy has been issued, taking up service in the armed forces of the State.

(The Hindustan Times, 25-3-1943.).



EMPLOYMENT, UNEMPLOYMENT AND VOCATIONAL TRAININGTechnical Education:Scheme drawn up by Association of Principals of Technical Institutions (India)

Two schemes calculated to help in rationalising and co-ordinating technical education in India have been ~~presented~~ <sup>put forward</sup> by the Association of Principals of Technical Institutions (India) for submission to Central, Provincial and Indian State Governments. One of these provides for the institution of all-India certificates and diplomas in technical and commercial subjects, art, architecture and other allied subjects. The second scheme is a programme of work for a standing consultative committee, representative of Governments, employers, employees, educationists and examining bodies, to decide matters of policy affecting technical education throughout India.

(The National Call dated 4-3-1943.)

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## MIGRATION

### Reciprocity Bill Passed by Assembly: Measures for Protecting Interests of Indians in British Colonies.

On 3-3-1943, the Central Legislative Assembly passed Mr. Govind Deshmukh's Reciprocity Bill providing that persons, domiciled in any British possession, shall be entitled ~~only to such rights and privileges~~ as regards entry, travel, residence, acquisition, holding and disposal of property, educational facilities, franchise, the holding of public office, or the carrying on of any occupation, business, trade or profession ~~in British India~~ as are accorded by the law or administration of such possession to persons of Indian origin.

Proviso about Servicemen, ~~abroad~~. - Mr. Deshmukh, moving consideration of the Bill, emphasised the proviso laying down that the provisions relating to entry, travel and residence shall not apply to any person in the armed forces of a British possession until the expiry of one year after the termination of the present hostilities. He said that, in accepting this proviso, the Select Committee on the Bill had impressed on Government their anxiety that all possible action should at once be taken to secure during the war for Indians the same rights, treatment and privileges as were accorded to members of the Home Forces or the Forces of any other Government.

Explaining the Government viewpoint, Mr. G.S. Bozman, Secretary, Indian Overseas Department, pointed out that there never had been any ~~difference between Government and members of the House~~ with regard to the principle of reciprocity embodied in the Bill. It was a principle enshrined elsewhere, and there was no difficulty for Government to accept it. ~~The only point he would make was that,~~ as a Reciprocity Bill it was entirely unobjectionable; as a retaliatory Bill it was one to be regarded with care and administered with care. A measure which was purely retaliatory in its object not only put an end to possible negotiations, but might, in certain circumstances, have a boomerang effect, which was not originally intended. It was for the Government to see that when the Act was applied, no such adverse effect was caused to India by its application. Speaking of the proviso relating to troops, Mr. Bozman said that, as far as he saw, the only part of the Empire where Indian troops were liable to treatment different from that which was accorded to other troops was South Africa. That question had been taken up by the Government of India who had been in correspondence with the Union Government, and every possible arrangement had been made with the willing co-operation of the Union Government to see that Indian troops were treated there as well as other visitors.

(The Hindu, 4-3-1943).

Bombay Chronicle's Comment. - Welcoming the Bill, the Bombay Chronicle dated 6-3-1943, writes editorially: "The Bill only lays down the principle of equality and vindicates India's self-respect. If it has any retaliatory character it will come in only as a defensive measure. Its principle has been appreciated and accepted even by Government. It is, of course, understood that in the course of any negotiations the Bill will have to be implemented with the greatest tact. But the existence of a reciprocity law has a wholesome effect on those who may otherwise think they can do any injustice to Indians with impunity."

(The Bombay Chronicle, 6-3-1943.)

Indian Penetration Commission starts another Inquiry in Durban:  
Indians Boycott Commission.

Reference was made at page 18 (Review of the Report of the High Commissioner for South Africa, 1941) of our December 1942 report, to the Broome Commission inquiry into the extent of Indian penetration in the predominantly European areas of South Africa. That enquiry covered the period only from January, 1927, to September, 1940. To bring the facts up to date, so far as the city of Durban is concerned, a second inquiry was ordered by the Government of the Union of South Africa, and this Commission commenced its sittings on 16-3-1943. The commission's functions are to inquire into and report on the extent to which Indians, including companies with predominantly Indian directorates, have acquired ~~sites in the municipal area of Durban since 30-9-1940, in those areas which the previous commission found predominantly European as at 1-1-1927.~~

In a memorandum submitted to the Commission, the Durban City Council pointed out that Indian purchases of land in predominantly European areas in the city had increased from £. 11,000 in 1927 and £.50,000 in 1935, to £. 335,000 in 1942.

Indian bodies like the Natal Indian Association and the ~~Natal~~ Natal Indian Congress have protested against the limited scope of the terms of reference of the Commission. The Association has decided to boycott the inquiry and withdraw its delegates as it feels that the terms of reference are the "grossest violation of the rights of the Indian community". A deputation composed of members of the Association met ~~Justice Broome, chairman of the Commission~~, on 11-3-1943, and stated that no opportunity was given to Indians for offering a defence, and explain the ~~xxx~~ case they had against the Durban City Council for ~~the~~ its neglect of Indian housing conditions and discrimination in favour of Europeans. Officials of the Association are of opinion that their only hope now is that public opinion in India should urge the India Government to take immediate action to support Natal Indians' demand for an opportunity to state their case.

(The Hindu, 13-3-1943; and the  
Statesman, 18-3-1943.)

The Hindu of 18-3-1943, commenting editorially on the subject says: "Wherever an Indian made a purchase in a European area, it was either because he had no sanitary dwellings available in the Indian locations or because of the possibility of the expropriation of property there or because ~~the~~ property in European quarters offered to him a very legitimate field of investment. The best method whereby the Durban City Council may legitimately arrest the progress of this development is to raise the level of housing conditions for Indians to that of the Europeans, to cease from taking discriminatory administrative measures against Indians, to provide ~~them~~ with alternative spheres of economic activity and, in short, to treat them as citizens of South Africa with rights equal in every respect to those of other citizens, white or coloured. The Union Government cannot afford to forget the Capetown Agreement; they are, according to it, under a solemn obligation to protect the rights of the Indian settlers whom that Agreement recognised as a permanent element in the country's population and, as such, entitled to the protecting arm of the State in safeguarding and furthering its interests."

AGRICULTUREThe Sind Alienation of Agricultural Land (Restriction),  
Bill, 1943. +

The Sind Government has gazetted the Sind Alienation of Agricultural Land (Restriction) Bill, 1943, which was introduced in the provincial legislature on 15-3-1943, to restrict the alienation of agricultural land in the Province of Sind. According to the statement of objects and reasons appended to the Bill, the objects of such restrictions are two: first, that small holders should preserve their holdings and secondly that transfer of land from agricultural to non-agricultural classes should be restricted within certain limits. The expression "agriculturist" embraces three classes of persons - (a) persons who ordinarily engage themselves in agricultural labour within the Province, (b) persons who held land on the 1st January, 1937, and who thereafter continue to hold some land whether it is the same as was held on the 1st January, 1937, or some different land, and (c) persons who derive title by inheritance from persons in (b) provided that they and their predecessors have held land continuously.

The Bill was circulated for two months to elicit public opinion on it.

(The Sind Government Gazette Extraordinary, Part IV, dated 12-3-1943, pages 101 to 102 and Part IV, dated 18-3-1943, pages 141 to 152.) +

The Sind Money-Lenders' Bill, 1943

The Government of Sind introduced on 15-3-1943 in the local Legislature the Sind Money-lenders Bill, 1943, to make better provision for the regulation and control of transactions of money-lending. The statement of objects and reasons appended to the Bill points out that at present there is no legislation, regulating money-lending transactions in the Province. The Dekkhan Agriculturists Relief Act, 1879, provided how accounts should be taken in certain classes of suits filed against agriculturists and the Usurious Loans Act, 1918, empowers courts to reopen accounts already settled and limit the rate of interest payable in respect of a loan. But none of these enactments provides for the registration or licensing of money-lenders or the regulation of accounts. Several Provinces have local legislation on the subject and the Government of Sind considers that legislation of this kind is very essential for the Province.

(The Sind Government Gazette Extraordinary, Part IV, dated 26-2-1943, pages 32 to 59 and Part IV dated 18-3-1943, pages 113 to 140.) +

Bengal Government's decision to abolish Permanent Settlement: Revenue Minister's Statement in Assembly.

The decision of the Government of Bengal to abolish the Permanent Settlement and to introduce, in its place, a scheme whereby the cultivation could be brought in direct relation to the Government, by the liquidation of most of the rent-receiving interests, was announced in the Bengal Legislative Assembly on 15-3-1943 by Mr. P.N. Bannerjee, Revenue Minister. (In taking this decision, the Government was following the recommendations made by the Floude Land Revenue Commission in their report submitted in 1940, and of the special officer, Mr. C.W. ~~Gilbert~~ <sup>Gilbert</sup>, I.C.S., appointed to examine that report.)

Mr. Bannerjee, elaborating the decision of the Government, pointed out:

(a) Government accepted the policy of bringing the actual cultivator into direct relation with Government and of acquiring, in the first instance, the interests of all classes of rent receivers above the lowest grade of cash paying under-ryats.

(b) Rates of compensation to be paid to persons whose interests were acquired should vary between 10 to 15 times the net profit according to the nature and circumstances of each estate, ~~as interests~~.

(c) A tribunal of a judicial character should be set up for the assessment of compensation in each case, and ~~that~~ the tribunal's decision should be final.

(d) Government should undertake legislation in the matter on these lines as early as possible after going through the technical formalities enjoined under the Government of India Act.

(e) In view of the financial and other risks involved, state acquisition should first be undertaken on an experimental basis in one district where the revisional operations now going on were almost in the process of completion.

Landlords' Criticisms. - The Maharajahdhiraj of Burdwan (one of the biggest landlords of the Bengal), representing the zamindars ('landholders') point of view referred to the difficulties that lay ahead in giving effect to the recommendations of the Floud Commission. He doubted if the tenants' economic problem could be solved by giving effect to the recommendations of the majority of the Floud Commission. If by the abolition of the Permanent Settlement they could save their people from the threatening catastrophe of food shortage and the impending acute distress, he could assure that the landlords should not lag behind anybody to come forward and sacrifice everything in their power to save rural Bengal, and specially the lower middle class, tenants and labourers. Could this problem be solved by the abolition of the Permanent Settlement when the per capita cultivated land available for the rural ~~population~~ populace was only .87 acres and the subsequent pressure of increased population was further decreasing the per capita acreage? When they would be relieved of their present strain, suggested the speaker, it would be judicious to set up a tribunal or a conference composed of an unbiased and impartial personnel. They would not oppose the abolition of the Permanent Settlement provided that it was not taken up till the termination of the war and the principle of compensation was uniform and the same in all cases whether for the landlords or the tenants.

Mr. Fazlul Huq, the Prime Minister, replying to critics of the Government's decision, reiterated the Government's resolve to proceed with the abolition of the Permanent Settlement as in its opinion action on so

important a subject cannot be postponed to the post-war period.

(The Amrita Bazar Patrika, 17-3-1943)

Press Comments.- The Times of India of 19-3-1943 comments thus on the subject:

The Bengal Government's acceptance of the Floud Land Revenue Commission's recommendation to abolish the Permanent Settlement will vitally affect the lives of over 33 million people.... If Bengal's economic prosperity is to be ensured the Permanent Settlement needs drastic revision. By placing a limit on the revenue payable by landowners while leaving the cultivators comparatively unprotected, it gave rise to the well known abuses of the zamindari, talukdari and malguzari systems. Nothing is more patent than the inequity of retaining for over 150 years an award which does not affect the zamindar's profits while it deprives the public exchequer of proportionate gains. Modern methods of agriculture and new technical processes to increase output have enhanced land revenues; simultaneously, the financial needs of the province wax greater as new nation-building schemes are launched. The net result is that the limited revenue paid by the zamindar, coupled with the exemption of agricultural incomes from income-tax, throws an undue burden on other classes of tax-payers. This unhealthy discrimination has retarded the growth of industrial enterprises.

The Hindu of 20-3-1943 in an editorial says:

The general demand for the abolition of the Permanent Settlement is due to the feeling that the Zamindari system has outlived its usefulness, that it is largely responsible for the backwardness of agriculture and that the State is entitled, on any just view, to a far larger share than it now gets of the income from land other than what goes to the tiller.... Elimination as far as possible of more rent-receivers is a good first step in the rehabilitation of agriculture; but it is only a first step. The Government must provide the expert knowledge, the monetary help and the leadership in respect of which the zamindars have been found wanting.

#### The Bombay Cotton Control Act, 1942.

The Bombay Cotton Control Act, 1942, has been assented to by the Governor-General on 19-2-1943 and gazetted on 2-3-1943. The Act empowers the Government of Bombay to fix, in respect of any selected area in the province, the variety of cotton the cultivation of which shall be permitted in such area, and to prohibit in such area the mixing of the variety of cotton specified with any other kind of cotton. Explaining the need for such an Act, the "Statement of Objects and Reasons" points out: "In the best interests both of the cotton trade and of the growers of cotton and to safeguard the economic prosperity of the Province, it is necessary to maintain the quality and reputation of the cotton grown in the Province and for that purpose to fix the variety of cotton to be grown in any specified area, to prohibit the cultivation in that area of any other variety which Government may determine from time to time, to prevent the mixing of such prohibited cotton with any other cotton, and to prohibit or restrict the possession, use of, or trade in prohibited cotton."

(The Bombay Government Gazette, Part IV, dated 2-3-1943, pages 66-73.)

NAVIGATIONAssistance to Distressed R.I. Naval Men:  
Association set up in Bombay..

An association to assist the men of the Royal Indian Navy and their families when in distress, called the Royal Indian Naval Benevolent Association, was set up in Bombay on 13-3-1943. The Association's affairs will be administered by a council presided over by the Flag Officer Commanding the R.I.N., and there will also be a Relief and Finance Committee. Relief from the funds of the Association will be granted to the officers and ratings, past and present, of the various branches of the Indian Navy and their dependants. Membership fee for officers is Rs. 10 and for ratings Rs. 3.

(The Statesman, 14 and 16-3-1943.)-

Club for Royal Indian Navy ratings to be opened in  
Bombay.

The foundation stone of a new social club for ratings of the Royal Indian Navy was laid at Bombay on 5-3-1943 by Sir Roger Lumley, the Governor. The Viceroy and the Bombay Governor have given Rs. 50,000 and Rs. 10,000, respectively, from their war funds towards the construction of the Club which is estimated to cost about Rs. 100,000.

(The Statesman, 7-3-1943.)+

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTSAll-round betterment of Conditions of Service of Teachers:  
Minimum salary Scales: Sargent Committee's Recommendations.

Recommendations for a minimum national scale of salaries for teachers in schools of all grades, both in the rural and urban areas, and for employing only qualified and well-trained teachers in the schools are contained in the report submitted in March, 1943, to the Government of India by the Sargent Committee appointed by the Central Advisory Board of Education to consider the question of training, recruitment and conditions of service of teachers. The report is being forwarded to Provincial Governments for action.

Extremely Low Pay: Conditions of Work generally unsatisfactory.- The Committee has pointed out that teachers in primary and middle stages are paid at rates lower than those which apply to most classes of menials and that a country which claims equality with other civilized nations can hardly remain satisfied indefinitely with a state of affairs where a teacher is worse off than a clerk and is worse off vis-a-vis other classes than teachers in other countries. It is stated that the conditions under which teachers often have to live in India isolate them from social amenities and from intellectual companionship. The raw material with which they work, the bodies and minds of children, is not merely the most valuable asset of the community, but once spoiled can hardly every be repaired. The problem of providing India with a reasonably satisfactory system of education cannot be shelved indefinitely and the Committee's recommendations are made to achieve this purpose, even if they involve drastic reconsideration of educational finance, including the relations between the Central and provincial authorities. The Committee feels that the adoption of its recommendations, drastic as they may seem, must be regarded, not as a final settlement of the question at issue, but as "a practical stage in the transition from what it is, to what ought to be".

Minimum Academic and Training Qualifications.- The Committee expresses the opinion that every teacher employed in any kind of school maintained or aided by public funds or recognised by the Government must be trained. Before very long this rule should apply to every school which is allowed to exist. As a necessary preliminary to the question of the training of teachers, it is urged that in no case should a teacher's qualification be lower than the possession of a Matriculation certificate or its equivalent and no candidate should be admitted for training below the age of 16 or who will not reach that age ~~at~~ during the year in which in which he is admitted. For teachers for the middle stage, the minimum qualification suggested is Matriculation, though it is hoped that teachers with intermediate and even graduate qualifications will enter this branch. For all classes above the middle ~~age~~ stage, a degree or its equivalent should be the minimum educational qualification.

The Committee suggests that teachers of nursery and infant schools of classes should invariably be women, as boys and girls under 8 benefit more from being under the instruction of women than of men.

Training.- In view of the demands on the technical skill of teachers, the Committee feels that the necessary technique cannot be acquired in any case in less than 2 years. Training of teachers for the middle schools of the senior basic type training should be 3 years or at least 2½ years. The Committee sets out the minimum training regarded as essential in order to secure properly equipped teachers in the various grades of schools in the educational system.



Adequate Increase in Remuneration.- The Committee then explores the ways and means of attracting young and able people into the teaching line. Two inducements are suggested - first, a sense of vocation; secondly, conditions of service which are reasonably attractive. In building up a national teaching service, the question to be decided is the provision of attractive conditions of service, including scales of pay. The condition at present, particularly in regard to the lower stages of education are, in the Committee's opinion, ludicrously inadequate. The financial issue can no longer be evaded if anything is to be done to place the teaching service on a proper basis. Since the primary schools form the basis on which the national system must be erected, and since the primary system, in view of its magnitude, will also be the determining factor financially and otherwise, the most important problem is to determine the conditions of service of teachers in primary schools. The Committee has considered the practicability of prescribing a minimum national scale for both men and women in both urban and rural areas. The minimum scale can be raised to meet the incidence of local costs.

Minimum Salary Scales.- The Committee recommends that the minimum national scale for teachers in primary schools (including infant and nursery schools) should be Rs. 30-50 per month. Teachers of village schools should be given a free house or 10 per cent. increase in salary in lieu thereof. The scale prescribed for normal rural areas may be increased up to 50 per cent. in costly areas. In large towns, such as provincial capitals, primary teachers' initial salary may be raised to Rs. 45 and the maximum to Rs. 75. For teachers in vernacular middle or senior basic schools, the minimum scale recommended is Rs. 40-2-80 per month, with allowance for more expensive areas, and the same scale and allowance is suggested for teachers in Anglo-Vernacular middle schools and for non-graduate teachers in the middle classes of high schools. For graduate teachers in high schools the Committee recommends a scale of Rs. 70-5-150 per month. The Committee feels that the head of even the smallest school ought to be a person of consequence in the district, and this should be reflected in his salary. The influence which - particularly in rural areas - these headmasters or headmistresses should exercise on pupils, parents and the community at large, have been almost entirely ignored. In ~~par~~ primary schools the scale suggested for heads varies from a minimum of Rs. 40 to Rs. 80 and a maximum of Rs. 60 to Rs. 100. In the case of middle schools (Vernacular and Anglo-Vernacular) the minimum scale suggested is Rs. 80-4-100 and the maximum Rs. 110-4-130. For headmasters and headmistresses of high schools, the minimum scale proposed is Rs. 175-10-255 and the maximum Rs. 350-15-500.

Pension, Provident Fund, Hours of Work.- Other conditions of service, such as allowance for posts of special responsibility, pensions, provident fund, leave and hours of work, are also detailed. The Committee shares the view expressed by the Committee on Basic Education that, the progress of any real and permanent kind is to be made in this all important connexion, it will be necessary for the Central Government to come to the assistance of provinces, and recommends that the Central Government should contribute not less than 50 per cent. of the cost of the adoption by any Provincial Government of scales of salary for the different categories of teachers not less than those recommended in this report.

Personnel of Committee.- The Committee consisted of the following: Chairman, Mr. John Sargent, Educational Commissioner with the Government of India; Members; Khan Sahib Khan Shah Alam Khan, Director of Public Instruction, N.-W.F.P.; Dr. G.G.R. Hunter, Director of Public Instruction, C.P. and Berar; Mr. A.S. Khan, Director of Public Instruction, Bihar; Srimathi Renuka Ray; Mr. F.S. Warren, Director, Messrs. Jessop and Co.,

Calcutta; Mr. S.N. Moos, Director of Public Instruction, Bombay; Diwan Bahadur Sir K. Ramunni Menon; Sir R.M. Statham, Director of Public Instruction, Madras; and Mr. J.M. Bottomley, Director of Public Instruction, Bengal.

(The Statesman, 1-3-1943.)

(Requisition has been made for two copies of the Report of the Sargent Committee; when received, one copy will be forwarded to Montreal Office.)+

CO-OPERATION AND COTTAGE INDUSTRIESThe Bengal Salt (Village Manufacture, Storage and Transport)  
Rules, 1943.

In exercise of the powers conferred by the Indian Salt Act, 1882, the Government of India has, on 13-3-1943, issued the Bengal Salt (Village Manufacture, Storage and Transport) Rules, 1943, under which no person is to manufacture salt unless such manufacture is carried on as a cottage industry; and no such manufacturer is to sell or otherwise dispose of the salt so manufactured except to a contractor or to the Government of Bengal at a warehouse. (See also ~~this~~ page 26 of this Office's January 1943 report where particulars are given of the Bengal Government's scheme for development of salt manufacture as a cottage industry in the coastal areas of the province.)

(Notification No. 151-S/42 dated  
13-3-1943, the Gazette of India,  
Part I, second I, dated 13-3-1943,  
p. 297.)

Appointment of Co-operative Inquiry Committee in Cochin  
State.

The Government of Cochin has appointed a Committee to enquire into and report on the working of the Co-operative movement in the State and to submit recommendations that will bring about the economic uplift of agriculturists. Mr. I. Raman Menon, retired Superintendent of Agriculture, will be the Chairman and Mr. Kunjan Menon, Development Inspector, will be the Secretary to the Committee which is to submit its report in three months' time.

("Federated India", February, 1943.)

HousingLicensing of Lodging Houses in Calcutta:  
Improved Housing for Seamen. \*

The Bengal Legislative Assembly, on 2-3-1943, passed on the motion of Mr. Fazlul Huq, the Prime Minister, an amending Bill empowering the Calcutta police to demand licences for lodging houses.

Replying to critics who suggested that the police might abuse the licensing power granted to them, Mr. Fazlul Huq pointed out that the object of the bill was not to arm the police with more powers, but to remove certain inconveniences, difficulties and hardships, that occupants of these lodging houses, mostly the poorer wage-earners, including seamen, suffered at present. The amending bill, he said, would empower the police to insist on improved sanitary conditions in lodging houses.

The amending bill was adopted.

(The Amrita Bazar Patrika, 4-3-1943.).

Housing Project for Cawnpore Workers

The Cawnpore Improvement Trust's budget estimates for 1943-44, provides for a sum of Rs. 4,726,000 for construction of workers' quarters. This sum is expected to be received from the Government as a grant. The Trust has also under consideration several slum clearance schemes.

(The Insurance Herald, 13-3-1943.)

ORGANISATION, CONGRESSES, ETC.Employers' Organisations16th Annual Meeting of Federation of Indian Chambers of Commerce and Industry, Delhi, 27 and 28-3-1943.

The 16th annual session of the Federation of Indian Chambers of Commerce and Industry was held at Delhi on 27 and 28-3-1943 under the presidentship of Mr. Gaganvihari L. Mehta, President of the Federation. Among the distinguished visitors present at the opening session were several members of the Viceroy's Executive Council and high officials of the Central Government.

Presidential address:- Indian Political Situation. - After reviewing at length the war situation, and the measures taken for defence of India, Mr. Mehta said: "India, however, the programme of defence, civil or military, is not broad-based on popular will. India's participation in this struggle has been assumed as a matter of course, her belligerency at the outbreak of the war was a question of imperial routine and India's resources have been at the disposal of the British Government. The demand for the application to India of the principles, for whose vindication the United Nations claim to be waging this war, and for an immediate recognition of India's status as a free national unit has remained unheeded." Speaking about the Cripps Mission and its breakdown, Mr. Mehta said: "It was the reluctance of the British Government to transfer effective power to Indian hands which was the root-cause of the break-down.... It is, indeed, singularly unfortunate that the British Government failed to utilise this vast reservoir of popular strength for national defence by providing that leadership which alone in a total war, as shown by Russia and China, can provide an effective challenge to aggression. The growing sense of intense frustration, resentment and despair had its cumulative effect in the decision of the Indian National Congress to launch a mass campaign in case its central demand, which it had voiced since the commencement of the war, was finally rejected."

Dealing with the expansion of the Viceroy's Executive Council in July 1942, Mr. Mehta declared that the most objectionable feature of that expansion was the appointment of a representative of the non-official British community as a member of the Council because it is tantamount to a recognition of the British community in India as a minority entitled to a separate seat on the Central Executive of the country. "British commercial interests in India have amply protected themselves through safeguards and guarantees which are stringent, comprehensive and unparalleled in any constitution in the world. Not satisfied with them, recognition has now been accorded to the British community as a minority deserving separate consideration and towards which the British Government have some special obligations." This is a position which the Indian public and the Indian commercial community cannot accept. "Such a retrograde step was taken, because the British commercial interests were alarmed by the specific declaration of Sir Stafford Cripps on behalf of the British Government that 'there will be no special protection for British capital or commercial interests in India.'" But in view of the determined and persistent endeavours which are now being made by the representatives of British commercial interests in India and in England to undermine the principle of India for Indians recognised by Sir Stafford Cripps and the policy implied in the statement of the Secretary of State, it is essential for Indian commercial and public opinions to be vigilant and wary. The safeguards are not only derogatory to the sovereign authority of the future government of India but also tend to militate against the growth of national industries owned,

controlled and managed by Indians. What we demand is not only that the principle of fiscal autonomy, inadequate and limited as it is at present, should be comprehensive in principle and effective in practice. We insist that the object of protection of Indian industries should be, as stated by Sir William Clarke, the Member of Commerce and Industry, in 1916, "the building up of industries where the capital, control and management are in the hands of Indians."

"It has been stated by the British Prime Minister that Indian manufacturing and financial interests are behind the Congress.... Indian commercial organisations, although they are not identified with any particular political party, are an integral part of the national movement and are in full accord with the essentials of the national demand for full sovereignty and transfer of power from British to Indian hands..... The Indian commercial community has come to realise after long and painful experience that without the achievement of full self-government, economic advancement of the people is not possible and they will not be swerved from their primary obligation as patriotic Indians to assist their countrymen in all their legitimate efforts to achieve political and economic emancipation."

Post-War Reconstruction. - Mr. Mehta, referring to the need for planning post-war reconstruction, deprecated efforts of British interests to continue the pre-war policies and practices of economic imperialism. "Powerful countries adopt the creed of economic internationalism when it suits their interests (as, for example, in the matter of free trade, distribution of raw materials, etc.) but resort to nationalism when convenient (e.g., protection, quota, exchange restrictions, etc.). The irony of it is that, while preaching the virtues of internationalism to backward countries and inducing or compelling them to adopt it, they themselves practise nationalism. Moreover, standards of internationalism, which are set up by the highly industrialised countries for the reconstruction of post-war world, are hardly suitable or beneficial to countries like India which still have a vast scope for industrial and economic development. The criterion of international trade, as a measure of economic betterment, has its limitation and it is essential to emphasise that the maintenance of internal stability and of domestic equilibrium is no less fundamental to the economic progress of a country than preservation of international trade."

Lease-Lend Arrangements. - "The economic war aims of the Allied Nations are embodied in Clauses 4 and 5 of the Atlantic Charter as well as in the Anglo-American Agreement of February 1942. Lease-Lend repayment is, again, closely linked up with wider questions of post-war planning of international trade and has important monetary, financial and fiscal implications. So far as India is concerned, these questions are bound up with financial questions like utilisation of sterling balances, allocation of the cost of defence, the mode and terms of Lease-Lend arrangement as well as fiscal and tariff policy and the nature and direction of India's exports with concomitant effects on Indian industry and agriculture.... It is essential for Indian opinion to see that the liabilities of India are not unduly widened in order to impose upon her a burden which she cannot, in fairness, be asked to bear. It would, for example, be unjust to make India responsible for all the Lease-Lend aid received for the Burma/Malaya or the Middle East campaigns or for similar aid which the United Nations are rendering to themselves, although it be on the Indian soil. On the other hand, the reciprocal supplies, services and facilities provided by India in the interests of common defence of the Allies, including U.S.A. and the United Kingdom (such as goods, transport, fuel, airfields, aerodromes, etc.) should be impartially assessed and determined

in drawing up the final balance sheet for Lease-Lend aid. Again, in the event of a direct agreement with U.S.A. India would also have to agree to Article 7 of the Anglo-American Agreement of the 23rd February, 1942, which implements the Atlantic Charter and involves a reduction in tariff barriers with a view to ensure freed conditions of trade."

He wanted to know whether U.S.A. can demand and the United Kingdom and our own Government would have to agree to provide raw materials in return for the benefits of the Lease-Lend operations by concentrating, if necessary, more exclusively on agriculture to the neglect of industrial development. At the present stage of India's economic and industrial development as well as constitutional subordination, it is imperative that the Government should not make any commitments or undertake obligations in such vital matters which might affect the financial, commercial and fiscal policies of India in the post-war period. It is not a question of India remaining isolated from any scheme of international economic reconstruction but one of safeguarding her vital interests and of co-ordinating them in any plan of common benefit. These observations apply with equal emphasis to proposals for an international distribution of and an equal access to raw materials of the world. Although no concrete scheme to implement this principle has hitherto been put forward, it is evident that such proposals are mainly designed to benefit industrially developed countries with a view to their being provided with abundant and cheap raw materials. India is entitled to claim the liberty to determine the manner in which her productive resources and energy should be distributed among the various channels - to utilise her raw materials for herself ~~x~~ in the first instance and to dispose them of on the best available terms in the interests of her cultivators without dictation from external quarters. President Roosevelt's "equality of sacrifice" in the prosecution of the war, also is unfair to India.

Equality of sacrifice, however, is proportionate to the capacity to pay and the ability to bear the burden. Incidentally, the benefits which would accrue as a result of this sacrifice should also in equity be taken into account. The national contribution of India ~~is~~ must be set in relation to her national wealth and income. Because India has emerged from the status of a ~~debtor~~ debtor to a creditor country vis-a-vis the United Kingdom, it does not at all follow that she is in a position to fulfil the condition implied in the principle of equality of sacrifice, nor are her sterling balances an adequate criteria of India's ability to pay. These developments in India's finance have been achieved as a result of postponement in India's ~~finance~~ normal consumption through the exigencies of the war and have tended to deprive the mass of Indian people of many essential commodities. On the other hand, any impartial examination of this question should also take into account factors which constitute India's concealed sacrifice and contribution to the war such as, for example, the utilisation of sterling balances in England at a nominal rate of interest to finance ~~British~~ Britain's war efforts, the purchase of commodities in India at controlled prices, the carriage of war transport by Indian railways at pre-war rates and the waiving of any commission by the Supply Department for Britain's purchases in India.

Allocation of War Expenditure. - On this subject, Mr. Mehta pointed out that the defence budget of the Government of India has increased from Rs. 490 millions before the war to Rs. 2380 millions in 1942-43. Apart from the fact that the representatives of the Indian people have no control over defence policy or over the armed forces which operate on behalf of India and have no say in the foreign policy of the British Commonwealth, it need hardly be proved that the capacity of India to bear the burdens of war is strictly limited. Further, he protested

against the efforts made to include certain items of expenditure under "India's War Measures", which cannot all be legitimately debitable to India.

Sterling Balances.- Mr. Mehta criticised the utilisation of the large and growing sterling balances of India. India has ceased to be a ~~debtor~~ debtor country with the repatriation of the sterling liabilities of the Government. But this is only a part of the financial problem which confronts India because the sterling balances have far outgrown the dimensions of her remaining foreign obligations. Moreover, India's political status has tended to deprive her of any effective say in the disposal of her own foreign balances and it is apprehended that they might depreciate in value or not find convertibility or might be dissipated to India's detriment. India lost her gains, after the last war, through manipulation of currency and exchange, and it is essential to prevent the recurrence of such loss. The fundamental assumption, however, that the question of sterling utilisation is a post-war problem cannot be accepted because the question is of urgent importance. It is not advisable to maintain all the reserves in one currency only, particularly when sterling does not now possess the same status of an international currency of easy and ready convertibility.

India must retain a free hand to spend her money in the United Kingdom, if profitable, or elsewhere, if necessary. The Government should not make any post-war commitments about India's sterling resources which would sterilise our sterling balances for purchases exclusively from the United Kingdom. Such a fund can rightly be characterised as one designed to subsidise British exports and assist the rehabilitation of British industries in the post-war period. The Government of India have appointed four Reconstruction Committees two years ago, which are practically not functioning except for one committee, which has been called twice to consider one or two detailed and separate proposals. They have no post-war reconstruction programme under consideration and even the Reconstruction Committee are entirely in the dark as to the work done by the Economic Adviser to the Government of India when he visited England and America last summer to study post-war questions there. Yet the only proposal regarding post-war reconstruction that has found favour with them is the establishment of a fund which will place India in a position not very dissimilar to that of dependent countries in Nazi economy since India would be able to buy only from the United Kingdom through a system of "blockade pound" and clearing agreement. If, as is contended, India's sterling balances are a debt owed to India, the Government of India have hitherto failed to take full advantage of India's position as a creditor in order to strengthen her financial structure and economic position.

Dollar Credits Requisition.- Because of the operation of exchange control and the prohibition of imports of gold into India, the payments in respect of India's favourable trade ~~xxxx~~ balances either with the British Empire, with the United States of America have been received only in sterling. Moreover, all dollar credits held or acquired by Indian nationals were commandeered for the use and benefit of His Majesty's Government in the United Kingdom and dollar credits for the trade balances with the United States of America are also not available to India. When the Dollar Requisition Order was notified under the Defence of India Rules early in 1941, the transactions between United Kingdom and U.S.A. were on "Cash and Carry" basis, and U.K. had to pay to U.S.A., for all her purchases either in gold or in dollar. Since then, supplies to U.K., by U.S.A., are being made on the Lease-Lend basis and, consequently, His Majesty's Government are no longer in need of any dollar resources for the payment of these supplies. There is, therefore, no justification for the continuance of the policy of



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requisitioning the dollar credits. These measures have resulted in denial to India of the advantage of accumulating either gold or dollar exchange which would have accrued if India was free to decide her own terms of payment.

India's Financial Policy.- The problem of sterling securities originates in the Government of India having allowed foreign countries to make payments to us in sterling instead of gold or securities or in our own currency. It leads up to an inordinate and unlimited increase in note circulation with continuously soaring prices, which, if allowed to remain unchecked, may well undermine the very basis of economic life and security. Part of the solution, at any rate, lies in India using the sterling balances in the same manner in which other Governments would have used them. The Government forgot that, on account of the necessity of buying goods from this country, Great Britain would have necessarily sold sterling securities at the very start. The very fact that our sterling balances today by far exceed India's remaining obligations to the United Kingdom, is an ample proof that if the India Government had not been so obliging, England would have been compelled to disinvest further. This would have meant the disposing of the investments of the British nationals in Indian industry. These investments would have been purchased by the Indian nationals, and thereby the contraction of currency in the country would have been automatically achieved. The Finance Member in his budget speech has but one sovereign cure for an inflationary tendency and one panacea for the adverse effects of war economy, namely, borrowing. The Government have not yet met with adequate public response in their borrowing programme, mainly because they have failed to inspire sufficient public confidence and enthusiasm.

United Kingdom Commercial Corporation.- The position of sterling after the war is already a matter of anxious consideration in Britain whose political leaders, business men and economists have all stressed the vital need of restoration of her export trade for her economic well-being. In India, too, the question of recapturing and developing our foreign markets is of no less importance. While on the one hand, the loss of export markets of Europe and the Eastern countries has had an adverse effect on producers of agricultural commodities, several Empire countries and allied nations have, on the other hand, come to be more dependent on this country for the supply of raw materials and India's manufactures are also being increasingly exported abroad. The direction and nature of India's foreign trade has, therefore, been undergoing a change. Whether these markets would continue to be open to her after the war and in what manner would world competition affect India's raw materials and manufactures are all questions of serious import to our economy. It is singularly unfortunate, therefore, that the Government of India, instead of pursuing an independent export policy or developing an export organisation of their own, have given free scope and a favoured position to the United Kingdom Commercial Corporation. The explanation given in the lengthy press communiqué issued last July has not tended to reassure the Indian commercial community. This Corporation has intruded into India's normal channels of trade and has prejudicially affected the rights of established shippers. The Government have not yet been able to satisfy the Indian commercial community as to why they cannot set up an Indian agency under their own control, if necessary, for regulating and canalising exports from India to such markets and in such manner as would not be possible for private merchants to do so owing to war exigencies. Indian merchants are confronted with the argument that such an Indian organisation is not feasible because control of shipping is in the hands of His Majesty's Government which means, in effect, that the Government of India should subserviently provide

facilities to a non-Indian organisation primarily designed to promote British trade because they have failed to develop Indian shipping and cannot or do not assert themselves in questions of imperial maritime policy.

Development of Indian Industries.- The curtailment of imports and expansion of defence programme have given a stimulus to several industries in India, including small-scale industries, and have led to the establishment or extension of munitions projects and ordnance factories. But there has been no planned development of Indian industries and especially of defence and key industries; the country's industrial effort is by no means commensurate with its resources and the new industries that have been started are all too few. No reliable data is available to the public in regard to the expansion of established or the growth of new industries in the country. What is essential is a comprehensive industrial survey with the aid of the information in the possession of the Supply Department so as to assess industrial expansion during the war period and to determine the lines of post-war development. The war has revealed serious gaps in India's industrial structure and her dependence on imports of plant, machinery, tools and accessories which has, in fact, tended to limit the scope and pace of industrial advance and is likely to affect adversely the post-war competitive power of our industries. The absence of basic and machine-making industries in the country handicaps other industries also. As regards raw materials, although useful work has been done by the Board of Scientific and Industrial Research, much more still remains to be accomplished so as to apply scientific research and knowledge to India's practical problems of agriculture and industry.

Mr. Mehta also criticised Government's half-hearted policy in the development of transport industry in India. Even the one factory which repairs and assembles aeroplanes in India was brought into existence after fourteen months of untiring efforts. Despite the paramount need of ships in the present war, the Government were not prepared to recognise ship-building in India as a part of war effort and this industry cannot find its way out of a maze of priorities and allotments. While construction of merchant vessels is growing rapidly in the Dominions, in India one cannot build and have not built one single merchant vessel during the last four years of war. Similar unhelpful and even obstructive attitude was adopted in regard to the automobile industry, concrete proposals for which were not entertained on one plea or the other during the last eight years. Although it has been recognised that owing to India's strategic position and vast resources, she should be not only self-sufficient but operate as an arsenal of the Eastern countries, neither the Eastern Group Conference nor the American Technical Mission resulted in the formulation of any comprehensive plans of development.

The basic conditions, therefore, of India's development is the full employment of the country's resources and production powers. The need of maintaining a balanced economy so as to ensure a diversity of economic pursuits is now widely accepted. Any scheme of international economic planning after the war will have to recognise, as is acknowledged in various reports on post-war reconstruction by British commercial and industrial organisations, the unwillingness, consequent upon their industrialisation, of primary producing countries, such as, for example, India and the Dominions to receive imports of manufactured goods which previously they had imported freely. These questions of international trade, tariffs, industrial and agricultural development and export policy are interrelated and deserve the earnest consideration of the Government in close collaboration with representatives of industry, trade and agriculture. Mr. Mehta also severely criticised the apathy of the

Government in not developing sufficient internal transport within the country.

**Food Problem.**- The food situation in the country today transcends in importance the question of war effort. The whole problem of price control is now secondary in importance to the grave questions of food scarcity and food supply. Warnings were issued by the Federation exactly a year ago in regard to the deterioration in the situation, but they went unheeded until the situation became acute and complicated and created conditions of ~~virtually~~ virtual famine in several parts of the country, including urban areas, leading at times even to disturbances. The bulk of the people of India have always suffered from under-nutrition and mal-nutrition. The Government of India, as also the Secretary of State and the British Press, lay emphasis on the evil of hoarding. There has been hoarding because of complex motives, not the least of which was a general lack of confidence. Some of the measures recently taken by the Government, although long overdue, have been in the right direction, such as the importation of wheat from Australia in order to augment available stocks as well as the decision to prohibit completely exports of food-grains from India. So far as the present scarcity is artificial, the availability of imported wheat from Australia would tend to check hoarding as also the reluctance of producers to part with their surplus. Exports of foodstuffs at the expense of the people of the country not only for the military but also for civilian requirements elsewhere should never have been permitted to cut into India's own diminished stocks of food and add to her enhanced demand for supply within the country. The Government have removed the control over wheat at the end of January as an inducement to wheat-producing centres but there does not seem to be any co-ordination as between the Provinces whose reaction to this 'decontrol' has been hardly helpful to the Government of India as illustrated by the attitude of the United Provinces and Sind. Indeed, the co-operation of the surplus Provinces in securing an equitable distribution of foodstuffs all over the country has been woefully lacking and an all-India control of food stocks and distribution is imperatively called for. The Government of India, in matters of defence have been operating since the commencement of the war as a unit and there has been a surprising want of adequate strength in the action of the Central authority in regard to food supplies which is in striking contrast to the uniform policy which they have relentlessly followed in the political sphere. The Government must, moreover, see that the prices fixed in respect of food-grains are remunerative so as to encourage the producers not only to bring their produce to the market but also to serve as an incentive for greater effort in future.

**Social Justice.**- Whatever the conditions at the end of the war, one must realise that a fundamental of economic progress is the condition of the masses. At the root of economic discontent are dire poverty, gross disparity in wealth and income, absence of security and the want of equality of opportunity. Unless a social system and an economic order can cure these ills and satisfy the elementary needs of men, it cannot long survive; productive efficiency can be maintained and can grow only on the basis of social harmony. A consistent and healthy programme of reforms is the most effective remedy against violent social upheavals and discord. No one who desires to see India economically powerful should discount the imperative need of a positive and constructive social policy. It is not a problem but an obligation - the first obligation of Governments, legislators, industrialists, economists and public men - to cure the economic maladies from which this country suffers. Employers have to see that in our industrial organisations efficiency of work is reconciled with security for the worker, that the desire for social betterment exists along with the satisfaction of minimum social needs, that individual initiative fosters economic progress. Their real task

is to devise a social framework which while recognising the right of every citizen to a minimum degree of livelihood and social security, would ensure the efficient pursuit of economic activities by preserving a necessary flexibility in the economic system. In this task of economic and social reconstruction, this Federation has an important contribution to make. Freedom means responsibility and with the achievement of self-rule it would be essential to formulate informed public opinion for devising policies and measures in national interests. With more intensive co-operation and concerted effort among the different sections of Indian commercial community, India's common interests could in many ways be furthered even now, irrespective of Government machinery. Indian commercial bodies have hitherto, necessarily because of their political conditions, played a mainly critical role. But with the attainment of popular responsibility and the growth of representative institutions, the Federation will have an increasingly constructive part to play in national economy. As the apex organisation of Indian commerce and industry, it will not rest content to be a custodian of sectional interests in a land where sectionalism thrives, nor a defender of the status quo, but will strive to be the exponent of a sane and creative body of opinion in the economic sphere; the economic front, in fact, of a healthy and broad-based nationalism. In so far as Indian commercial interests seek to identify themselves with the wider economic interests of the nation, respond to the finer and growing needs of the people and continually adapt their outlook and adjust their programme to the fundamental economic requirements of the changing times, in so far would they successfully pass the trials and conflicts and struggles in the years to come and meet the challenge of the age.

Resolutions.- Resolutions were adopted demanding the "immediate and effective transfer of political power to a National Government", urging the Government of India as at present constituted to desist from entering into any agreement, on behalf of India, which involves acceptance of financial, fiscal or economic principles or policies as basis for post-war reconstruction, and demanding that Indian representation at international conference on post-war settlement should be by representative Indians including representatives of the commercial community, disapproving of the sale of Indian silver in England, protesting against the present allocation of Indian share of the deferred expenditure as unfair to India; condemning the giving of facilities in India for the United Kingdom Commercial Corporation to operate and demanding cessation of activities at least as soon as war is over; and demanding adequate measures to safeguard the interests of Indians in Burma when Burma is taken.

Sterling Balances.- One resolution expressed dissatisfaction with the manner in which the whole question of utilisation and safeguarding of India's growing sterling balances is being dealt with by the Government of India and demanded that India's accumulating sterling credits should, in the first instance, be utilised to repatriate British commercial investments in India and with regard to the balance of sterling credits, the Government of India should secure an undertaking from the British Government that in case the value of the sterling during or after the War depreciates in terms of gold, the British Government shall compensate the Reserve Bank of India for all its sterling holdings to the extent of such depreciation.

Post-war Reconstruction.- (a) The Federation noted with interest proposals and schemes outlined by British and American public men as well as British commercial and industrial organisations in regard to the lines of post-war economic reconstruction. The Federation was strongly of opinion that international plans and standards set up by the highly industrialised countries for economic reconstruction of the world after

the termination of hostilities would not be necessarily beneficial to countries like India which still have a vast scope for economic and industrial development and cannot be applicable to India without important qualifications and reservations owing to the radically different conditions in which India is placed.

(b) The Federation also referred in this connection to schemes and proposals for the international regulation and distribution of raw materials of the world and made it clear that no such plans could be acceptable to India unless it was made absolutely clear that the producing country would have a prior claim on its products and that it would be entirely free to determine the quantum of production of its own raw materials according to its own economic needs and requirements. India will insist on claiming the right and liberty to utilise her own raw materials herself in the first instance and no extraneous influence should be permitted to impede the country's normal economic development to the detriment of her agriculture and industries.

(c) The Federation emphasised that India should have full autonomy to determine her post-war economic policy primarily in accordance with her own national interests and to collaborate with other countries on suitable terms so as not to injure her own interests.

Lease-Lend Supplies.- One Resolution protested against the terms of ~~repayment of the aid received under lease and lend~~ and declared that the terms should be such that, firstly, India's reciprocal contribution should, in no case, exceed the extent of the aid in materials received for the purpose of her own actual defence requirements; and, secondly, that all reciprocal services, facilities and supplies, given by India to ~~the U.S.A. should be fully taken into account while making the final~~ adjustments under lease and lend. The Federation further pointed out that lease-lend repayment is closely linked up with wider questions of post-war planning in the sphere of international trade which are dealt with in the Atlantic Charter as well as in the Anglo-American Agreement of 23rd February 1942, and particularly in its Article 7 dealing with mutual reduction in tariff barriers in order to ensure freer international trade. The Federation was strongly of opinion that the Government of India should not enter into such international agreements without specific reservations so as to ensure India's fiscal autonomy and industrial development. The Federation also emphatically urged that, in view of the far-reaching implications of any settlement regarding the Lease-Lend Supplies, no final decision should be taken without fully consulting ~~the~~ Indian commercial opinion.

Safeguards for British Commercial Interests.- The Federation welcomed the ~~statements made on behalf of the British Government~~ by the Secretary of State for India in the House of Commons on 30th July, 1942, that "a guarantee of special protection for British commercial interests in India would not be a condition for the acceptance of whatever constitution Indians might evolve." The Federation viewed, however, with grave apprehension the persistent attempts which are now being made by British commercial interests both in India and in England to see that the principle and policy underlying that assurance and a similar assurance by Sir Stafford Cripps during his visit to India are undermined and to secure constitutional safeguards and special protection for them even in the future constitution of India and to make this demand a condition precedent for recognition of India's sovereignty. The Federation made it clear that the Indian commercial community is strongly opposed to such an inequitable demand, which would be derogatory to the full sovereign authority of the future Government of India and which might also militate against the economic expansion of India including the growth of industries owned, controlled and managed by Indians.

**Food Position.**- The Federation viewed with anxiety the present position regarding supply of foodstuffs in the country and urged upon the Government of India the necessity of taking immediate steps to ensure adequate supply of foodgrains. In order to ameliorate the serious situation with regard to supply of food-grains, firstly, all exports of food-grains from the country should be entirely stopped; secondly, exports of essential food-grains from the surplus provinces to the deficit ones should be facilitated so that an equitable distribution of food-grains in the country, as a whole, may be brought about; thirdly, the controlled prices should be fixed at a level which would bring out supplies; and, fourthly, transport facilities should be arranged for the movement of essential food-grains within the country. Distribution of food-grains under control should be effected as far as possible only through the normal channels of trade.

**Indian Industries.**- (a) The Federation took a grave view of the acute shortage of all ~~many~~ kinds of industrial raw materials and basic chemicals which is seriously affecting most of the manufacturing industries of the country and strongly urged upon the Government to set apart out of stocks and imports of industrial raw materials under its control an adequate percentage of such materials so as to prevent the closure of such factories and enable them to cater to civilian requirements. (b) The Federation also drew the attention of the Government to the serious inconvenience caused to business firms and consumers owing to its decision to release only a very small percentage of production for civilian consumption of such commodities as paper, cement, iron and steel, etc. (c) The Federation urged that the question of industrial development and particularly of safeguarding Indian industries established or expanded during the war from any external competition or any slump in post-war period should receive the active consideration of the Government of India from now onwards in close collaboration with Indian industrial interests. (d) The Federation further pointed out that the taxation policy of the Government should take into account the difficulties which would confront industries in this country after the war, especially owing to the need for replacement and the high cost of material, plant, machinery, etc., for which industries should be allowed to make provision from now and to build up adequate reserves.

**Office-bearers for 1943-44.**- The following were elected members of the committee for the coming year: Kumararajah Sir Muthiah Chettiar, President; Mr. J.C. Setalwad, Vice-President; Sir Chunilal B. Mehta, Hon. Treasurer; Lala Karamchand Thappar (Sugar Mills); Mr. J.C. Setalwad (Insurance); Mr. M.A. Master (Transport); Mr. Deviprasad Khaitan (Unspecified Industry); Mr. Satya Paul Birmani and Mr. M.A. Ispahani (Unspecified Trade and Commerce). The following members were co-opted: Mr. G.L. Mehta, Sir Padampat Singhania, Mr. N.R. Sarker, Sir A.H. Ghaznavi, Mr. A.D. Shroff and Mr. G.D. Birla.

(Summarised from the printed text of the presidential address and text of resolutions supplied to this Office by the Secretary of the Federation.)

(The proceedings of the 15th session were reviewed at pages 23 to 26 of our March 1942 report.)

10th Annual Meeting of All-India Organisation of Industrial Employers, Delhi, 28-3-1943.

The 10th annual meeting of the All India Organisation of Industrial Employers was held at Delhi on 28-3-1943, with Lala Karamchand Thapar, President of the Organisation, in the chair. The salient ~~features~~ features of the presidential address are noted below:

Tripartite Collaboration.- During the year under report, a number of proposals came before the Committee of the Organisation for consideration with regard to labour legislation and schemes for maintaining morale among labourers in the event of ~~an~~ enemy action. The Government of India, since the commencement of hostilities, have been realising the necessity of collaboration between the Central Government, Provincial and State Administrations, employers and workers, and the first step in that direction was taken in June 1942 by the Government inviting a tripartite conference representative of Governments, employers and labour with a view to secure advice on labour questions having India-wide importance. Mr. Thapar expressed satisfaction that the Government had set up a machinery which was long overdue for consulting employers and workers in respect of their proposals regarding labour legislation, and he hoped that the machinery would be frequently utilised for their mutual benefit.

Labour Morale: Importance of Safety and Adequate Food Supply.- With the war approaching India and, in fact, with the bombing of Calcutta, the question relating to the maintenance of morale among industrial workers was the subject of serious consideration at the hands of employers. It was not merely a question of ensuring safety and comfort of workers, but of maintenance of morale which mainly depended on the adequate supply of foodstuffs and other necessary commodities of every-day life to the labour population. Measures adopted by the Government for control of prices of foodstuffs, curtailment of transport facilities, stoppage of imports of foodstuffs to make good the country's deficiency in food supplies, were some of the main contributing factors which prevented employers from ~~running cheap food-grain shops for supplying foodstuffs to their industrial labour.~~ In spite of these difficulties, employers, at a number of centres, arranged for the supply of foodstuffs to labour. It is a matter of deep regret that schemes for the rationing of food have to be resorted to in some provinces, in a country which is predominantly agricultural. In spite of the Government of India's efforts to grow more food, the situation with regard to food supplies, particularly in deficit areas, has not much improved. Unless labour is assured of adequate supplies of foodstuffs, and that too at reasonable rates, no amount of persuasion ~~of~~ financial benefit would ensure their continuous working in war industries. Unless the industrial employers are helped by Government with supplies of foodstuffs, a serious situation may arise in industrial areas which may be a problem in itself both for the Government and employers.

Recognition of Unions.- The Government of India, during the year under review, forwarded certain proposals on the subject of Recognition of Trade Unions. Employers have all along never been against recognition of trade unions provided such unions are established on sound lines and consist of workmen who are actually working in their industrial establishments. It has been the experience of employers in the past that the trade union movement in India has not been allowed to be built up on sound lines. Outsiders, who are mainly non-workers and who stand to lose nothing by the launching of a strike or a lock-out, have been influencing the working of these trade unions, and have been responsible for substantial losses to the workmen in the past by resorting to ill-advised strikes. Trade unions, if they are to be recognised by employers, under statutory provisions of an Act, should be composed mostly of workmen who are directly to be affected by their working. The Government were, therefore, advised by the Organisation to make a suitable provision which would restrict the membership of a trade union mainly to workers employed in and representing a particular section of an industry. ~~Another important proposal submitted by the Government for the consideration of employers was with regard to the grant of holidays with pay to industrial labour in non-seasonal factories.~~



Holidays with Pay.- Another important proposal submitted by the Government for the consideration of employers was with regard to the grant of holidays with pay to industrial labour in non-seasonal factories. The Committee of the Organisation was in general agreement with the Government's proposal to lay down the minimum number of paid holidays and leaving it to the discretion of the Provincial Governments to extend the period to more than seven days is likely to create varying conditions of employment in different provinces. Indian industries have not been established on any preconceived plan, with the result that industrial units were established at places wherever it suited the promoters. It is necessary, therefore, to maintain uniform conditions of employment at different places as far as the same industry is concerned. It is but fair that employers should be urged upon the Government to have a statutory limit fixing the maximum period of holidays with pay for industrial labour.

Amendment of Trade Disputes Act.- The Trade Disputes Act of 1929 has been to all intents and purposes a dead letter. The Committee of the Organisation, therefore, expressed its general agreement with the main proposals of the Central Government to amend the Trade Disputes Act to make it effective. It was, however, pointed out that there should be suitable provision in the legislation to deal with the launching of strikes and lock-outs in a precipitous manner without ascertaining the will of the majority of labour directly to be affected by the strike or lock-out. The Committee suggested that a secret ballot should be taken for the purpose of ascertaining the wishes of labour concerned and that there should be a provision for eliminating the influence of outside agencies so that labour may be left to itself to decide matters concerning its own welfare. Under the British Act, picketing at the homes of workers during a strike is prohibited, and the Committee suggested that a similar provision should be incorporated in the Indian legislation. There should also be a provision against any intimidation or victimisation of a worker by society.

Compensation for War Injuries.- The Central Government issued an Ordinance in July 1941 making provision for grant of some relief against war injuries. The Organisation conveyed to Government its feeling that the grant of relief, as provided under the Ordinance, would not be a sufficient inducement for the industrial worker to stick to his job during periods of emergency. It expressed the view that relief on a greater scale, similar to one assured under the Workmen's Compensation Act, would be more in keeping with the other measures adopted by Government to maintain morale amongst industrial workers. The Government, in accepting the suggestion, prepared a scheme of compulsory insurance for industrial workers against war injuries, under which a fund would be created from contributions received from employers, with a view to give relief to those employees who would be injured while actually at work in a factory. While employers are agreeable to the creation of such a fund, they would like to emphasise that Government should avoid unduly heavy accumulations in the fund by reducing the premium, and that, if any balance in the fund is left after meeting all the liabilities during the war, it should, in no case, be appropriated by Government, but should be earmarked to be utilised for the benefit of workers in consultation with the representatives of Indian employers.

Industrial Expansion and Post-War Problems.- The growing requirements of the Supply Department of the Government of India to meet the war needs of the Allied Nations were an important contributing factor for greater industrial activity in the country throughout the year. The total purchases from the commencement of the war to the end of 1942 approximated to Rs. 4,550 millions. Purchases on such a huge scale necessitated expansion of several of the indigenous industries and consequent rise in the number of persons employed in industrial establishments. It is estimated that



while in the pre-war period, about 2.6 millions <sup>workers</sup> were employed in establishments coming under the Factories Act, in 1941 more than 3.2 millions were employed in industrial concerns as can be seen from the following table:

Labour Employed in Industrial Concerns  
(In millions)

	1938	1940	1941
1. Factories	1.751	1.844	2.321
2. Mines	.305	.328	.328
3. Railways	.537	.541	.553
	<u>2.593</u>	<u>2.713</u>	<u>3.202</u>

Requirements of industrial concerns in labour are naturally being met either from persons employed in agriculture or other minor rural occupations or from the unemployed. The drafting of labour populations from rural to urban or industrial areas has created a problem which will have to be seriously considered immediately after the termination of hostilities. Many of the industrial establishments such as arms and ammunitions factories, ordnance depots, several other ancillary industries, would stop production and would demobilise their industrial labour. The demobilisation of extra Army Units would add to the rank of the unemployed in the country. It must be remembered that both industrial labour and the demobilised soldiers, who ~~are~~ mostly drawn from rural areas, have been receiving better terms of payment and are in enjoyment of a reasonably higher standard of life compared to the one to which they were used prior to their occupation either in war industries or in the Army. Unless, therefore, the Government of India evolve a plan of utilising the services of semi-skilled or skilled artisans as also of the disbanded soldiers and unless they are absorbed in the urban population without being a drag on ~~the~~ society, it would create serious problems for the various Provincial Governments to deal with. ~~India~~ In India, the problem of employment of the demobilised cannot merely be left to the Provincial Governments. Government will have to devise long-term plans of public works with a view to absorb the released personnel. The skilled artisans and the technical personnel of the demobilised can also find employment in a well-thought-out plan of industrialisation, with the help of Indian industrialists.

Post-War Industry and Trade. - ~~In India~~ The seriousness of the post-war problems has not been fully realised by the Government of India and the Indian industrial interests in the country. The Government of India have appointed four Post-War Reconstruction Committees; but the outlook of the Government of India in such matters cannot be very encouraging and the reports about the deliberations of the Post-War Reconstruction Committee relating to International Trade confirm the belief generally held by the public that the future fiscal policy of this country would be greatly influenced by the anxiety of the British manufacturing interests in the United Kingdom to retain their hold on the Indian markets. The manner in which the Finance Member has dealt with the utilisation of India's sterling credits, which were secured at great personal sacrifices and privations by the Indian masses by denying to themselves even the meagre necessities of life during the continuous period of four years of war, does not encourage the public to look forward to an era of greater industrialisation and prosperity in India. The Indian industrial interests have every reason to apprehend that these sterling credits would substantially depreciate consequent upon the depreciation of the sterling and their international convertibility would be materially restricted by measures which His Majesty's Government may be called upon to adopt in the interest of British manufacturing industries. In fact, serious concern is already being felt by the public at the announcement which the Finance Member made during his Budget speech suggesting the creation of a 'reconstruction

fund' to provide for the financing of a programme of post-war reconstruction in India. The anxiety felt on this score is quite natural, especially in view of the fact that the Government of India has, since the commencement of the war, under one plea or another, studiously scotched every plan of Indian industrial interests to establish capital industries such as industries for the manufacture of automobiles, aeroplanes and heavy chemicals, and to set up shipbuilding yards.

The policy of the Government of India has all along been one of negation and if it wants the public to believe in ~~the bona fides~~ <sup>its change</sup> of its entire policy of indifference towards indigenous industries and prepare the country for a well-balanced plan of industrialization which can be put into effect ~~after the~~ immediately after the termination of the war. Preliminary investigation is necessary for the proper understanding of the potential resources of this country. During the war, mainly to meet the requirements of the Allied Nations most of the main Indian industries had to be expanded substantially and in consequence plant and machinery had to be imported on an ~~enormous~~ enormous scale. In the post-war period it may not be necessary to utilise the additional plant and machinery for the manufacture of the same articles which were required ~~during~~ during the war, and a switch-over to other industries manufacturing for other needs of the country will have to be undertaken. The Government should therefore collect information relating to the expansion of old industrial units and establishment of ancillary industries, as also figures of the skilled and semi-skilled labour available, and of raw materials and semi-manufactured materials improvised from the resources available in the country.

Looking from the broader aspect of the industrialisation of this country in the post-war period, the constitution of the "Aid to British Industries" Fund, which the Finance Member wants to build up with India's sterling assets in England, would definitely be a handicap if these assets are not allowed to be used by India in making her purchases in the best and the cheapest markets of the world.

Other Post-War Problems. - During the war, except in the case of short staple cotton, India has fully utilised her agricultural produce either for her food requirements or for the manufacture of a number of articles which replaced imported goods. This position requires to be fully examined with a view to see that in the planning of industries every care is taken to reduce our dependence on foreign markets for the disposal of our surplus agricultural produce. The services of the Board of Scientific and Industrial Research should be fully utilised for finding out alternative uses for our raw materials. A number of small and medium size ancillary industries have come into existence to meet the country's requirements in the absence of imports; these should be put on a sounder financial basis and should be given post-war protection. Apart from the adjustment of industrial plant and machinery to new post-war requirements there are other problems. Export of locomotives, wagons, rails and other rolling-stock lifted from Indian railway tracts for war purposes has crippled to a very large extent India's railway transport system, and most of the trouble arising out of the shortage of foodstuffs can be attributed to the short-sighted policy of the Government in allowing such exports without any regard for the essential needs of the population of this country. Similarly requisitioning of ships has stood in the way of large-scale movement of traffic on the coastal shipping routes. The Government of India's indifference, because of undue concern for British vested oil interests, towards the repeated

demands from the public for the manufacture of power-alcohol out of molasses, has brought about a situation which necessitated rationing of petrol and curtailment of motor transport over short distances ~~from~~ for the carriage of foodstuffs, raw materials and finished goods in various parts of India. Dislocation, thus brought about, of all the three transport systems in India will have to be attended to as a first step towards bringing about normal conditions of life in this country after the war. It is a matter for regret that the railway authorities should still be importing locomotives without exploring possibilities of manufacture in this country. A far more difficult situation is going to arise after the war in regard to shipping. If the Government of India had encouraged the construction of shipbuilding yards in India, much of the problem arising out of the dearth of shipping tonnage would have been conveniently solved as far as the requirements of this country are concerned.

It is, therefore, essential that in laying down plans for post-war reconstruction, with particular reference to replacement or replacement or reconditioning of the existing plant and machinery, regard must be had to the fact that India no longer desires to continue to be an importer of finished articles. She would much prefer to have her industrial economy adjusted in such a manner as would enable her to manufacture these very articles within her own borders; and her requirements would necessarily be in the direction of building up capital goods industries rather than merely reconditioning or re-equipping the present plant for the production of the same articles which she has been manufacturing all these years. The experience of Indian industries during the period of ~~stress and strain of the war for the last four years~~ has been very encouraging. The country is also used to inconveniences and privations arising out of non-supply of these very goods during this period. In the greater interests of their country, the public would willingly deny themselves for a further period all these amenities of life till their own national industries manufacture these goods for use in the country. The experience has further shown that Indian industrial enterprise, talent and technical skill is competent to meet all the demands to be made upon them by the country for the establishment of these industries. +

#### ~~OFFICE-BEARERS~~

Office-bearers for 1943-44.- The following office-bearers were elected for the year 1943-44:- President - Lala Karamchand Thapar; Vice-President - The Hon'ble Sir Rahimtoola M. Chinoy, Bombay; Members of the Committee - Mr. Kasturbhai Lalbhai, Sir Padampat Singhania, Mr. G.D. Birla, Mr. Gaganvihari ~~Lal~~ L. Mehta, Sir Adamjee Hajee Dawood, Mr. Hooseinbhooy A. Lalljee, Mr. Amritlal Cjha, Mr. Hari Shankar Bagla, Mr. D.P. Khaitan, Mr. N.R. Sarker, Lala Gurusharan Lal, Mr. S.P. Jain and Mr. Ramratan Gupta.

(Summarised from the text of the presidential address of Lala Karamchand Thapar, forwarded to this Office by the Secretary of the All-India Organisation of Industrial Employers.)

## SOCIAL POLICY IN WARTIME.

### Wages.

#### Demand for Revision of Scales of Pay, and Further Increase in Dearness Allowance; All-India Postal and R.M.S. Union Conference.

A meeting of the Council of the All India Postal and Royal Mail Service Union was held at New Delhi on 27 and 28-2-1943; Mr. S.C. Joshi, M.L.C., Vice-President of the Union, was in the Chair. Besides the delegates and representatives from the provinces, the meeting was attended by several members of the Central Legislative Assembly.

Several resolutions were adopted by the Conference. One of these urged the Government of India to revise the scales of pay fixed for new entrants to all grades of employees in the service so as to bring them on a par with the scales of pay of old employees, i.e., those who entered service prior to 16-7-1932. By another resolution, the Conference deplored the "extremely meagre" increase in dearness allowance granted in January 1943, and the denial of allowance to non-gazetted staff. It urged the Government to cancel the classification of the areas into A, B, and C, for purposes of granting dearness allowance; to give effect to a scientific scheme of sliding scale of dearness allowance; ~~to give effect to a scientific scheme of sliding scale of dearness allowance~~ and to give effect to the dearness allowance ~~from 1-4-1942~~. It also requested the Government to open grain shops and hostels at suitable places in consultation with local Unions so that the staff may not feel difficulty in getting food stuffs for themselves and for their families.

(March 1943 issue of "General Letter" issued by  
the All-India Postal and R.M.S. Union, Bombay Circle)

#### Further Increase in Dearness Allowance of Bombay Textile Workers.

In January last, the Bombay Millowners' Association extended the scale of dearness allowance of textile workers to provide for variations in the Bombay ~~millowners'~~ working class cost-of-living index numbers between 184 and 203 (vide page 31 of our January 1943 report). The index number for the month of February having risen to 205, the Millowners' Association has now decided to extend the sliding scale of allowance up to index number ~~213~~ 213. The allowance for a month of 26 working days is Rs.23-11-0 when the index is 205 and Rs. 25-10-0 when it is 213.

(The Industrial Bulletin, No. 405, dated  
8-3-1943, issued by the Employers' Federation  
of India).

#### Railwaymen's Demand for Further Increase in Dearness Allowance.

Dissatisfaction with the rates of dearness allowance recently granted to Railwaymen (reported at page 41 of this report) was expressed at the All-India Railwaymen's Special Convention held at New Delhi in the last week of March 1943. The allowance was described as "wholly inadequate".

One of the resolutions adopted by the Convention points out that, although railwaymen would be fully justified in giving notice for extreme action, they would explore all possibilities of a settlement through a committee which would include Mr. Jammadas Mehta (President) and Mr. S. Guruswamy (Secretary), All-India Railwaymen's Federation. Another resolution urged the grant of dearness allowance to members of the railway military units and a third urged the reinstatement of discharged workers in affected areas like Calcutta and Assam.

(The Railway Herald, dated 5-4-1943).+

#### Further Increase in Dearness Allowance for Railway Workers..

Reference was made at pages 20-21 of our August 1942 report to the increase in the dearness allowance for railwaymen granted by the Government of India. In view of the recent further rise in the cost of living, the Government has granted with effect from 1-2-1943, further increase in the allowance on the following lines.

In areas comprising the municipal limits of Bombay, Calcutta and Cawnpore (known as Area X) the allowance is Rs.16 per mensem, up to a pay limit of Rs.200 per month. In towns of not less than 250,000 inhabitants, but not included in Area X (known as Area A) the allowance is Rs.14/- per month for employees drawing pay up to Rs.175 per month. In towns with population between 50,000 and 250,000 (Area B), the corresponding amounts are Rs.11 per month and Rs.125 per month; and in other towns (Area C) they are Rs.8 per month and Rs.90 per month respectively.

(Notification No. E.43 DA 18, dated 16-3-1943,  
The Gazette of India, Part I, Section I, dated  
20-3-1943).+

#### Employment

##### The Essential Services (Telephone Employees) Ordinance, 1943

With a view to secure during the war emergency the continuance in employment of the employees in the telephone service of Bombay, Calcutta, and Madras, the Governor-General has, on 16-3-1943, promulgated the Essential Services (Telephone Employees) Ordinance, 1943, according to which persons engaged in employment under the Bengal Telephone Corporation, Ltd., the Bombay Telephone Company, Limited, and the Madras Telephone Company, Limited, on 31-3-1943 are to be brought under the provisions of the Essential Services (Maintenance) Ordinance, 1941, with effect from 1-4-1943.

(The Gazette of India Extraordinary  
dated 16-3-1943.).

## Production

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### Plans for Production of Power Alcohol under way: Government Spokesman's Assurance in Central Assembly.

In reply to a question asked in the Central Legislative Assembly on 29-3-1943, Mr. J.A. Mackeown, Joint Secretary, Supply Department, Government of India, informed the House that the Government was adopting measures for encouraging and assisting in the production of power alcohol and rectified spirit in the country. One of the most important steps taken in this direction was to arrange with America for obtaining two power alcohol plants. He added, however, that inquiries had shown that an attempt to secure and instal imported plant on a large scale would not yield substantial results within a reasonable time. The Government had accordingly decided that, apart from the two plants that are expected from America, it would not attempt to import equipment, but would concentrate on increasing the production of rectified spirit with plant the whole or the greater part of which could be fabricated in India. An expert had been borrowed from one of the ordnance factories and the preliminary work was ~~ne~~ in hand.

(The statesman, 30-3-1943.).

## Labour Disputes

### Permanent Court for Labour: Bengal Government's Labour Policy: Announcement by Premier in Bengal Assembly.

The decision of the Government of Bengal to set up a permanent court for adjudication of labour disputes as in Bombay was announced by the Chief Minister, Mr. A.K. Fazlul Huq, in the Bengal Legislative Assembly on 13-3-1943, in the course of the debate on a cut motion tabled by Mr. W.A.W. Walker (European Group).

Mr. Walker, moving his cut motion, discussed the necessity ~~of~~ for full utilisation and enforcement of the provisions of the Defence of India Rules relating to strikes and settlement of labour disputes. He urged that while there should be no stoppage of work during national emergency, there should also be compulsory arbitration of labour disputes, and pointed out that Government had not fully adopted the provisions of the Defence of India Rules and Essential Services Maintenance Ordinance in this respect. After referring to what was done in England in cases of a dispute between employer and labour, Mr. Walker suggested that there should be a permanent adjudication body for this purpose whose recommendations in such disputes should be binding on both parties. In order that such a body enjoyed the confidence of the interests concerned, he also suggested that its chairman should be a High Court Judge and the other two members must be men of integrity. This body should function at least during the war.

Mr. J.N. Gupta (Labour) referred to "capitalistic vagaries" still remaining unchecked although they were passing through a war. He particularly referred to the distress of the seamen who were, it appeared to him, in spite of their heroic deeds, nobody's concern. Although for other industrial workers foodstuffs were being provided at cheaper prices, the seamen were left uncared for.

Mr. D.S. Gurung spoke about the distress of the tea estate workers. Although the planters were selling their products at four to five hundred per cent. profit and ~~the~~ ~~the managers~~ were earning considerable amounts of money, they were showing no sympathy to the workers. He thought that

although ~~the~~ provincial autonomy was now working for a number of years the lot of workers particularly in the tea estates was becoming worse.

Prime Minister's Reply.— Mr. Fazlul Huq, the Prime Minister, replying to the debate said the Government of Bengal had a definite policy regarding labour questions. Mr. Walker had suggested the establishment of a permanent adjudication body. The decision of the Government of Bengal was for the establishment of a permanent court. Government had already taken steps in order to secure the services of a High Court judge for the Court. Whether he should have the assistance of two other men as suggested or should himself form the court was under the consideration of the Government.

Mr. Huq also stated that he was informed that in tea estates all efforts were being made to relieve the distress of ~~the~~ labour. As a matter of fact the tea planters were now selling foodstuff to the workers at ~~a~~ cheaper rates than when ~~they were~~ purchasing ~~for~~ the same from the market.

On the question of prosecution of workers in essential services who went on strike without notice, Mr. Huq said that instructions had already been issued to the district authorities for action in these cases. Although the Government had always been anxious to secure the full amount of relief that could be given to labour, under the present conditions, Government policy was to apply the provisions of the Defence of India Rules most rigorously so that the number of strikes might be reduced. If it was found that there was no reasonable justification for a strike, or a strike was undertaken in infringement of the existing rules, the ~~most stringent measures would be taken~~ under the Defence of India Rules because the Government considered that maintenance of essential services was of paramount importance in a situation like the present.

Mr. Walker withdrew his cut motion.

(The Statesman, 14-3-1943; the Amrita Bazar Patrika, 15-3-1943.) +

#### War Transport

##### The United Provinces Unregistered Motor Vehicles (Control of Disposal) Order, 1943.

The Government of the United Provinces has, under the Defence of India Rules, issued on ~~11~~ 10-3-1943, the U.P. Unregistered Motor Vehicles (Control of Disposal) Order, 1943, according to which no person should sell or otherwise dispose of, and no person should purchase or otherwise take delivery of, any unregistered motor vehicle except with the previous permission in writing of the Motor Transport Controller, United Provinces. The Order also prohibits persons from removing from the Province any unregistered motor vehicle except with the previous permission of the Controller. No such restriction, however, is placed on transactions to which either the Central or the Provincial Government is a party.

(The U.P. Gazette, Part I, -A, dated 13-3-1943, p. 75.) +

Fair Prices and Fair Wages in Agriculture:  
Government of India's Post-War Agricultural Plans. \*

Speaking in the Central Legislative Assembly on 10-3-1943, on the cut-motion about "Agriculture" moved by Sir Henry Richardson (European Group), the Hon'ble Sir Jogendra Singh, Member for Education, Health and Lands, Government of India, reviewed the plight of primary producers in India and maintained that an increase in the purchasing power of the agriculturists, far from being detrimental to the country's interests as was apprehended by the European Group, was necessary for raising the abnormally low standard of living of Indian agriculturists who constitute the overwhelming bulk of the Indian population. The main points brought out by Sir Jogendra Singh are briefly noticed below:-

Need for Ensurance of Fair Prices for Primary Commodities.- Dealing with Sir Henry Richardson's demand for drastic control of agricultural prices and his fears that high prices would lead to inflation, Sir Jogendra Singh said: "Even in normal years our production is not sufficient to give all the people a balanced diet and the purchasing power which frightens Sir Henry Richardson does not even today permit a producer of food to purchase a new set of clothes for himself and his family.... The limit of our purchasing power is clearly shown by the currency in circulation which ranged round Rs. 5 per head of population before the war as compared with England and America where it stood at £13 or Rs. 133 and \$40 or Rs. 160, respectively. Our reservoir of money which was drained when England returned to the gold standard, is now filling up and we have about Rs. 15 per head of population in circulation. Sir John Maynard, who was the Finance Member in the Punjab, in his book on Russia, has shown how disposable surplus in money has helped in improving the economic conditions of Russia. We may also hope that the volume of money in circulation will stimulate economic progress in this land of low purchasing power."

Fair Returns for the Agriculturist and Fair Wages for Agricultural Workers.- Reduction of prices of primary agricultural commodities, he pointed out, meant that the labour of 89 per cent. of the Indian population was kept at an unjustly low level. Elaborating this point, he said: "In the last analysis, we cannot escape the conclusion that it is not possible to separate production from the main structure of rural economics: we cannot increase production without guaranteeing an adequate return to the growers, in money value, nor should we fix a price without taking into account the cost of production. The basic agricultural wage should cover the normal needs of an average worker regarded as a human being in a civilized state. It is not "within the various measures of control, supply and distribution of food" that we can plant the seed for the permanent benefit for the agriculturist, but by careful planning of production, creation of agricultural credits, supported by a financial policy."

Agricultural Prosperity essential to Industrial Prosperity.- On this point, he said: "Finance, water-supply and security are the primary factors of agricultural advance and rural happiness - just as low and widely fluctuating prices are a factor detrimental to a sound agricultural economy. Agriculture is our major industry and an efficient agricultural industry is essential to the well-being of our people, both rural and urban. If agriculture can attain a satisfactory economic level, leading to a reasonably prosperous rural life, it will provide expanding markets for the development of trade and industry of every kind. Agriculture will be unable to rise above its present low level without an assurance of stable conditions from now onwards, for at least five years



so that producers can be enabled to see sufficiently far ahead to plan on the basis of the continuity of a well-defined agricultural policy. The principal security problem - and in many ways it is the crux of the whole problem - is that of prices for agricultural produce - to ensure for the cultivator some level (in relation to the general cost of living) below which prices will not be allowed to fall in peace-time. It is little use giving the cultivator improved seed, cheap manure and plentiful water, if, when a bumper crop matures, he has to sell his crop at a price which leaves him with less margin to meet his own purchases than he enjoyed before."

Reconstruction Committee to deal with Agricultural Problems.-  
Finally, he pointed out that the problems of Indian agriculturists and agricultural workers would loom large in post-war reconstruction efforts and that it was essential to set up a reconstruction committee dealing specifically with agriculture and agricultural policy.

(The Hindustan Times, 18-3-1943.) +

Post-War Reconstruction Fund in Bombay:  
Provision in 1943-44 Budget.

In the Budget proposals of the Bombay Government for 1943-44, provision has been made of Rs. 6.053 millions towards the Post-War Reconstruction Fund established last year with Rs. 2.24 millions in the 1942-43 Budget. It is pointed out that it would be premature to attempt at this stage any precise formulation of a programme of post-war reconstruction, but among obvious items the Government declares that it attaches special importance to schemes for assisting demobilised personnel of the fighting services.

(The Bombay Government Gazette Extraordinary  
Part I, dated 17-3-1943, pages 524 to  
546.) +

Post-War Urban Development:  
Punjab Government's Scheme.

A comprehensive scheme has been drawn up by the Punjab Government to ensure post-war urban development throughout the province on modern town-planning lines. Activities of divisional town planning officers will include regional planning to ensure that country districts also develop on proper lines with roads and side roads in the right places. These officers will assist District Boards which, it is understood, will be given the powers of a municipal committee to control urban development and town extension schemes in their areas. New towns in the Punjab are in future to be planned so as to have properly lighted and ventilated houses spaced out along straight roads.

(The Statesman, 13-3-1943.)

Creation of Post-War Reconstruction Fund in the Central Provinces.

The Government of the Central Provinces, in its budget for the year 1943-44, has provided for the creation of a fund for post-war reconstruction measures. A sum of Rs. 1,000,000 has been set apart for this purpose, in addition to a similar sum earmarked for it from the current year's surplus.

(The Times of India, 27-3-1943.)

Restriction on Export of Cotton Yarn from Madras Presidency

The Government of Madras has, under the Defence of India Rules, issued an order to the effect that no person should export cotton yarn from the Presidency after 14-3-1943 except under a permit issued by the Yarn Commissioner, Madras.

(The Fort St. George Gazette, Part I -  
Extraordinary, dated 12-3-1943, pp. 1-2).

The Fuel Alcohol Order, 1943

With a view to conserve the available stock of petrol for defence purposes, the Government of India has, under the Defence of India Rules, issued the Fuel Alcohol Order, 1943, which prohibits the sale, disposal, and use by any person, of petrol except with an admixture, in specified proportions, of anhydrous power alcohol or rectified spirit. Provincial Governments are empowered to control the manufacture and sale of fuel alcohol in their provinces, as also to fix from time to time its proportion to petrol.

(Notification No. 230-I.C.(61)/42  
dated 20-2-1943, The Gazette of India,  
Part I, Sec. 1, dated 20-2-1943, p. 219.).

Standard Cloth Scheme: Standard Cloth Advisory Panel Set Up.

In order to assist it in giving effect to the Standard Cloth Scheme, the Government of India has decided to set up an Advisory Panel, to be called the "Standard Cloth Panel", with headquarters at Bombay. This Panel will consist of representatives of the Cotton Textile Industry and others. It will advise the Government of India generally on matters concerning the manufacture, transport, distribution and sale of Standard Cloth and the fixing of prices for the purchase and sale of such cloth. Mr. M.K. Veblodi, I.C.S., has been appointed Standard Cloth Commissioner, with headquarters at Bombay.

(Notification No. 156-I.C.(7)/43  
dated 6-3-1943; The Gazette of India,  
Part I, Sec. I, dated 6-3-1943,  
p. 274.).

The Bengal Silk Control Order, 1943

The Government of Bengal has, under the Defence of India Rules, issued the Bengal Silk Control Order, 1943, providing for the control of the cocoon and silk trade in the province. Owners of filatures and dealers in raw silk have to be registered under this Order. The Government may at any time serve notices on 'registered owners' and 'registered traders' freezing their stocks so as to meet Government requirements. In such purchases the prices will be those notified by Government in the Official Gazette from time to time. No person is to buy or sell cocoons and raw silk at prices different from those notified. Extra-provincial transactions in the two articles are to be carried on only in accordance with the terms of a licence issued by the Provincial Controller of Silk.

(Notification No. 467 dated 8-3-1943, The Calcutta Gazette Extraordinary, Part I,  
dated 8-3-1943.).

The Government of India has, under the Defence of India Rules, introduced, on 27-2-1943, another amendment to the Newspaper Control Order, 1942, further restricting the size and number of issues of newspapers in the country and increasing their prices (The previous amendment was referred to at page 37 of our November 1942 report). According to the new amendment, no paper is to publish more than one issue on the same day without Government sanction. Advertisement charges are to be raised to one and a half times what they were on 20-2-1943. The Order comes into force on 1-4-1943.

(Notification No. 104-I.C. (5)/42 dated 27-2-1943, The Gazette of India Extraordinary, dated 27-2-1943.) +

The Bihar Rice Control Order, 1943.

The Government of Bihar has, under the Defence of India Rules, promulgated, on 6-3-1943, the Bihar Rice Control Order, 1943, under which dealers and rice mill owners are required to comply with the directions issued to them by the Chief Controller of Prices and Supplies, Bihar, regarding the purchase, sale and distribution of the stocks of rice at their disposal. The Controller may, from time to time, allot quotas for the requirements of any specified area, or of any specified market.

(The Bihar Gazette Extraordinary dated 6-3-1943.) +

Grain Control in Indore State

The Government of Indore State has adopted measures for the control of food-grains, says a press note recently issued by the Information Department of the State.

The Government has now become the sole agency for purchase and distribution of grain in the state. It intends to secure adequate stocks at a fair price to meet the food needs of the people. The Government is having the produce of each individual grower in the State estimated. The grower will be allowed to retain sufficient grain for his requirements for seed, consumption and payment in kind for hired agricultural labour. After allowing for these, the estimated surplus of each grower is to be sold by him to the Government Purchase Centre of the area. For non-growers in villages a consumers' register is being prepared by Government and sufficient grain for their consumption will be retained at the purchasing centres. No ration-cards are contemplated at present for the villages, but periodical distribution will be arranged on the strength of the information recorded in the register. In the city of Indore a Rationing scheme is already functioning.

("Federal India and Indian States", 10-3-1943.) +

FoodThe Madras Rice Mills Licensing Order (No. 1), 1943

On 5-3-1943, the Government of Madras issued, under the Defence of India Rules, the Madras Rice Mills Licensing Order (No. 1). Explaining the purpose of the Order, a Press Note dated 5-3-1943 issued by the Government says: In view of the deficiency in the present rice harvest and in the absence of rice imports by sea, it has become necessary to take every possible step to conserve foodstuffs, especially rice. In the traditional method of husking rice by hand pounding, a comparatively small portion of the grain is removed. After the advent of milling machinery, a higher degree of polish was attained. This gives the grain a more attractive appearance, but removes a larger part of the outer portion of the grain. Scientific research has demonstrated that the portions so removed contain vitamins, essential for health. The Government of Madras has therefore issued an Order which comes into force from 5th March 1943 for the licensing of rice mills which will enable them to issue directions to the millers to under-polish rice. Rice so produced will resemble hand-pounded rice in retaining a larger portion of the valuable outer covering than is retained in highly polished rice. The Order requires that all mills shall take out a licence.

(Rules Supplement to Part I, Fort St. George Gazette, dated 9-3-1943.)+

The Bombay City Food Rationing Scheme:  
Supplementary Rations for Workers. \*

Reference was made at page 34 of our January, 1943, report to the scheme of food rationing proposed to be introduced in Bombay City. The preliminaries in connection with the scheme are nearing completion. Ration cards for a period of 24 weeks were distributed in the city in the first week of March, 1943, for the City's population estimated by the rationing authorities at ~~1,770,000~~ 1,770,000.

Details regarding the scheme, which is to begin from 1.4-1943 were explained by Mr. A.D. Gorewala, Commissioner of Supplies, Bombay, at a Press Conference held on 4-3-1943, and by Mr. R.N. Samarth, Controller of Rationing, Bombay, in a radio broadcast from Bombay in the second week of March 1943. The available information regarding the scheme is summarised below:-

Articles rationed.- The enumeration of all the people living in their own houses and of those who take their meals in hotels and eating houses is practically complete. Only the homeless persons remained to be counted up. The articles proposed to be rationed are rice, wheat, bajri, jowar (the four principal food grains in the province) and the products of these articles, including flour, 'sogi', 'rava', and baker's bread.

Rations for Adults and Children.- Rationing is in the form of units per week. For each adult two units will be given, and for each child only one. People of 12 years and above will be taken as adults, and those between two years and twelve years as children. It is further proposed that, subject to the stock position, the probable unit will be half paylee per week. This means that the adult will get one paylee and the child half paylee of all the cereals together per week. The maximum ratio of each cereal in the unit will be fixed from time to time, according to the stock position, but within this a person will be able to buy whatever rationed article he likes.

Supplementary Rations for Labourers.- In addition to two units allotted to an adult, it is proposed to allot a supplementary unit to manual labourers - those who do manual work in mills, factories, and large organisations and essential services, as well as casual manual labourers such as coolies at grain godowns. Domestic servants, office peons, shop assistants and such others will not be given a supplementary ration. The supplementary ration will be issued on application after rationing has commenced.

Rations for Hotels, Hostels, etc.- In case of hotels, hostels, orphanages and such other establishments where people generally board, it is proposed to fix the quantities broad-based on the average number of boarders. These establishments will get permits and not ration-cards.

Methods of Distribution: Government Grain-Shops, Co-operative Societies, Mill Grain Shops, etc.- The retail distribution of rationed articles will take place through 150 Government grain-shops, about 100 co-operative credit and consumers' societies, stores run by communal organisations, and the grain-shops provided by mill factories and other large-scale organisations and about 300 private retail distributors. Every holder of ~~the~~ ration-card or permit will register with an authorised retail distributor for supplies, and workers employed in mills and factories will register with shops run by their employers. The number of people that will be registered with any ~~one~~ Government grain shop or retailer will be restricted to about 500. Once a person's name has been registered with a particular distributor, he has to take his requirements from that distributor alone. Householders will be allowed to transfer their names from one distributor to another for sufficient reasons, as for example, change of residence from one locality to another.

At present there is a rationing officer ~~for~~ each ward of the city. There will, however, be extra rationing officers in several wards who will have to be informed in case of loss of cards and who will answer any ~~of~~ the inquiries connected with rationing.

(The Bombay Chronicle, 6 and 12-3-1943.).

#### Co-ordination of Food Supplies: Regional Commissioners to be Appointed.

It has been decided, says a Press Note issued by the Government of India on 15-3-1943, to create a few posts of Regional Food Commissioner for the better co-ordination and control of food supplies all over India, including the Indian States, and to assist all Governments in the application of the all-India plans for dealing with food matters. This decision is a result of the unanimous recommendation made to Government at the second All-India Food Conference held towards the end of February 1943 at New Delhi. (Vide pages 38-40 of our February 1943 report.) These Commissioners will each have to deal with several Provinces and many States that lie in their areas and the duties that would fall to them may generally be explained as co-ordination, liaison and inspection.

(The Hindustan Times, dated 16-3-1943.).

#### Rationing in Kolar Gold Fields Area, Mysore

The Government of Mysore is introducing in the Kolar Gold Fields a rationing scheme in respect of rice and ragi (a kind of millet) as from 1st April 1943. The following scale of rations will be adopted:

(1) Clerks, etc.- Rice  $\frac{1}{4}$  seer per adult per day or  $7\frac{1}{2}$  seers per month (one seer = 2 lbs.); child below 10 years - half of the above quantity.

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(2) Workers. - rice and ragi  $1\frac{1}{7}$  pavu (1 pavu =  $\frac{1}{2}$  lb.) of rice plus  $\frac{3}{7}$  pavu of ragi per adult per day or  $8\frac{1}{2}$  seers of rice and  $3\frac{1}{4}$  seers of ragi per month per adult; Child below 10 years - half of the above quantity

(Bulletin of the Mysore Chamber of Commerce  
dated 22-3-1943.) +

Food Rationing in Calcutta: Government's  
Draft Scheme: Corporation Committee's Report.

The need for the introduction of a system of food rationing in Calcutta city has been engaging attention for some months past. In December 1942, the Calcutta Municipal Corporation had appointed a Committee to formulate a concrete scheme for equitable distribution of food-stuffs and other essential commodities at reasonable prices in the city. In March 1943, a comprehensive draft scheme for rationing as regards Calcutta and the industrial area has been prepared by Mr. L.G. Pinnell, I.C.S., Special Officer, Civil Supply Department, and it is understood that the draft scheme will be discussed with representatives of various Chambers of Commerce, the Corporation of Calcutta and other important bodies, before final adoption.

Government's Draft Scheme. - The more important features of the Government's draft scheme are as follow: The list of commodities requiring consideration would include all or any of the following as found necessary, viz., (1) Grain and bread (as one unit), (2) Pulses, (3) Sugar, (4) Kerosene, (5) Coal, (6) Salt, (7) Mustard Oil. It is not contemplated that all these commodities would necessarily be rationed at once and at the same time. The scheme envisages introduction of card or any other warrant to householders enabling them to buy specified quantities from specified source or sources and preventing them from buying from other sources. It also envisages the appointment of a Headquarters staff consisting of a Regional Controller, a Regional Deputy Controller and Assistant Controllers.

Committee's Recommendations. - The recommendations of the Committee appointed to report on food rationing by the Calcutta Corporation are briefly as follow:

The Committee pointed out that it was time for introduction of regional rationing in the city and the suburban industrial areas. The regional system of control had proved ineffective in alleviating distress. The number of shops, about 145, opened by the Government in Calcutta for the supply of rice and atta at controlled prices was inadequate and the quantities supplied were insufficient. It was impossible for clerks, artisans, daily wage-earners and members of middle class families to stand in queues for hours for ~~getting~~ <sup>getting</sup> a paltry supply; and the controlled shops had merely touched the fringe of the problem. The Director of Civil Supplies should open a large number of additional shops which would sell essential food-stuffs at controlled rates and the quantity of supply should be increased.

At its meeting held on 10-3-1943, the Calcutta Corporation adopted a resolution to the effect that the report of the Corporation Committee should be forwarded to the Government so that the Government might consider the suggestions made therein when formulating its final proposals.

(The Amrita Bazar Patrika, 6 and  
12-3-1943.) +

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Food Supply Facilities for Railway Employees:  
Railway Grain Supply Scheme.

All over India 500,000 railwaymen were at present benefiting from the railway grain supply scheme and more staff was being brought within its range, declared Sir Edward Benthall, War Transport Member, replying to Mr. Lalchand Navalrai at question time in the Central Assembly on 5-3-1943. At present, he said, the railway grain shops supplied some or all of the principal food grains; some also sold salt, sugar, spices and other commodities. Arrangements for the sale of cloth were under examination. While some railways were supplying grain only at principal centres, others were running mobile units. For distribution, ration cards were employed by most railways. He added that it was the policy of the Government to expand the range of commodities sold in these shops where there was a local demand for such expansion.

(The Statesman, 6-3-1943.)

Compensation for War Injuries

War Injuries (Compensation Insurance) Bill, 1943 +

Dr. B.R. Ambedkar, Labour Member, Government of India, introduced on 11-3-1943 in the Central Assembly the War Injuries (Compensation Insurance) Bill, 1943, which imposes on employers a liability to pay compensation to workmen sustaining war injuries and provides for the insurance of employers against such liability. The Statement of Objects and reasons appended to the Bill explains that the War Injuries Ordinance, 1941, empowered the Central Government to make a scheme providing for the grant of relief in respect of war injuries. It also provided that no compensation should be payable under the Workmen's Compensation Act in respect of a war injury. Workmen under that Act are now only entitled to receive relief from Government under the War Injuries Scheme. In more highly industrialised countries where variations in the industrial wage scale are not so large as in India, payments under the Personal Injuries Scheme are, in respect of labour, both relief and compensation. In India the amount of relief under the War Injuries Scheme does not at present give higher paid labour adequate compensation. It is impossible for Government themselves either to increase generally the scale of relief under the War Injuries Scheme or to undertake a liability to pay further compensation to a particular class of employees from Government funds. It is, however, reasonable that that obligation should be put on certain employers. There is also probably more danger to employees in factories and other industrial concerns (which may be a target for enemy attack) than there is elsewhere.

The Bill imposes on employers of essential services, of factory and mine labour, in major ports, and other employments to be specified, an obligation to pay compensation in respect of war injury to their workmen, calculated to amount to the difference between the amount paid by Government under the War Injuries Scheme and the amount which would have been payable under the Workmen's Compensation Act if the war injury had given a right to compensation thereunder. This will mean additional payments in respect of labour drawing roughly over Rs. 24 a month. Many employers are prepared to undertake the extra liability but the liability may prove either an embarrassment or an impossibility in the case of a factory which might be seriously damaged by enemy action, unless insurance can be taken out to cover the risk. It is understood that few insurance companies are now prepared to cover such risks although in a few cases insurance in this matter has been effected. The Bill therefore provides for compulsory insurance with the Central Government, of the liability referred to above, by employers throughout British India. A provision has also been made to extend the scheme of insurance

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to employers in States provided that provisions substantially corresponding to the provisions of this Bill are made in that State.

The Bill follows closely the War Risks (Goods) Insurance Ordinance and the War Risks (Factories) Insurance Ordinance.

(The Gazette of India, Part V, dated 13-3-1943, pages 89 to 98.)+

#### War Injuries Pension Rules, Madras +

On 15-12-1942, the Government of Madras issued the War Injuries Pension Rules, Madras, which provide that when a member of the police force, to whom the Extraordinary Pension Rules, Madras, apply, sustains a war injury while on duty or dies of a war injury so sustained, awards will be made in accordance with the provisions of those rules as if the injury were received as a result of special risk of office. Similar awards will be made in the case of other servants of the Government to whom the Extraordinary Pension Rules, Madras, ~~apply~~ if the Government is satisfied that the war injury has been received as a result of "special risk" as defined in the Extraordinary Pension Rules. Compensations paid under these rules do not affect the pension or gratuities that may be due to ~~that~~ them or their heirs under the Civil Service Regulations. Any Government servant who may be eligible for relief under the War Injuries Scheme, 1942, will be entitled to receive the pension or allowance under the scheme to the extent to which it exceeds the pension or allowance admissible under these rules.

(The Fort St. George Gazette, Part I, dated 9-3-1943, page 243.)+

#### Safety Measures

##### A.R.P. Measures in Factories: Chief Adviser, Factory A.R.P. +

The following information about A.R.P. measures in factories is taken from a note on the subject published in the Statesman dated 1-3-1943:-

Air raid precaution measures in principal factories engaged in war production in India are organized by the Chief Adviser, ~~Factory~~ A.R.P., Department of Labour. In less important factories, A.R.P. measures are supervised by provincial Governments working under the advice and guidance of the Labour Department so that a common policy is observed in all factories.

The Chief Adviser has a staff of 5 expert Technical Officers and Deputy Advisers who have done similar work for the Ministry of Supply in England. They have ~~experience~~ experience of blitz conditions and have observed the results of bombing at first hand. In addition, 4 Indian officers have been sent to England for training under the Ministry of Supply and others are in training in India. The staff of the Chief Adviser has been further strengthened by the addition of 5 trained Fire Officers from the U.K. who have considerable experience of air raids and of different types of fires. The Technical Officers, Deputy Advisers and ~~Fire~~ Fire officers are constantly on tour visiting factories and advising them on protection and organization. Recent reports show that substantial progress has been made in protective measures generally and that, in particular, the programme of providing shelters and ~~and~~ other protection for workers is approaching completion.



For the guidance of everyone who is concerned with industrial A.R.P., the Labour Department have issued a publication entitled "A Summary of A.R.P. applied to Factories" (A copy of this publication was forwarded to Montreal with this Office's minute D.1/146/43 dated 17-2-43). The booklet incorporates the lessons drawn from the bombing of England, with modifications to suit conditions in India. Subjects treated include: shelters, protection of vital plant, fire precautions, obscuration, lighting and ventilation, and organization of A.R.P. personnel, their training and equipment. Government has advised factories to establish a news service for their workers to dispel ignorant or malicious rumours and to give the facts as early as possible after raids which is the time when very exaggerated rumours are commonly circulated.

Stocks of essential foodstuffs are being laid in at factories to guard against the breakdown of normal supplies and cooking arrangements are provided so that, in the event of workers' families being evacuated and shops and restaurants closed, they will be able to obtain cooked food at reasonable prices. ~~Inner~~ Instructions have also been issued to factories to remove glass wherever it could form a potential danger to personnel or to important plants. To replace glass large supplies of a translucent non-splinterable substitute have been obtained from the U.K.

Factory owners are encouraged to train the whole of their workers in these subjects outside working hours for which they receive pay at appropriate over-time rates. Allowances and remissions of various kinds have been introduced to counteract the hardships due to war conditions. These include bonuses and dearness allowances and provision is made for pensions and disability payments.

(The Statesman, 1-3-1943.) +

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List of the more important publications received in this Office during  
March 1943 +

ditions of Work.-

- \* Government of India, Railway Department (Railway Board). Report by the Railway Board on Indian Railways for 1941-42, Vol. I and Vol. II (Statistics). Published by the Manager of Publications, Delhi. 1943. Price Rs. 7-8-0 or 11s.6d. and Rs. 1-10-0 or 2s.6d. respectively.

conomic Conditions.-

- (1) "An Enquiry into the Economic Condition of Some Middle Class Persons in Service in Baroda City" by D. Ghosh, M.A., and D.S. Dighe, M.A. Bulletin No. 5. Issued and published by the Baroda Economic Association. 1942, Price 8 as.
- (2) Report of an Enquiry into the Family Budget of Indian Estate Labourers. (M. Rajanayagam, Esq., Deputy Controller of Labour). October 1941. Printed at the Ceylon Government Press, Colombo. Price Re. 1-2-0. 1941.
- (3) Government of Bombay. "Budget Memorandum for 1943-44" Price Rs. 2-2-0 or 4s. and "Civil Budget Estimates for the year 1943-44". Price Rs. 3-14-0 or 6s.9d. Bombay: Printed at the Government Central Press.

anisation, Congresses, etc.-

Federation of Indian Chambers of Commerce and Industry

- (1) Speech of Mr. Gaganvihari L. Mehta, President, Federation of Indian Chambers of Commerce and Industry, at the Sixteenth Annual Meeting held on 27th March 1943 at Delhi. 1943.
- (2) Federation of Indian Chambers of Commerce and Industry; Report of the Proceedings of the Executive Committee for the year 1942-43. Vol. I. 1943.
- (3) Correspondence and relevant documents relating to important questions dealt with by the Federation during the year 1942-43. Vol. II. 1943.
- (4) Report of the Central Indian Evacuees Relief Committee, 1942. 1943.
- (5) Resolutions as Finally Recommended by the Committee of the Federation for the Sixteenth Annual Meeting.

All-India Organisation of Industrial Employers

- (1) Speech of Iala Karamchand Thapar, President, All-India Organisation of Industrial Employers, at the Tenth Annual Meeting held on 28th March, 1943, at Delhi. 1943.
- (2) Report of the Proceedings of the Committee for the year 1942-43. 1943.

Indian National Committee of International Chamber of Commerce

Report of the Proceedings of the Committee for the year 1942-43. 1943.

ial Conditions.-

Census of India, 1941, Volume XXII, Jammu and Kashmir, Parts I and II. Essay and Tables by Capt. R.G. Wreford, Census Commissioner, Jammu and Kashmir State, Jammu. Price Rs. 5-8-0. +

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INTERNATIONAL LABOUR OFFICE  
INDIAN BRANCH  
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Report for April 1943

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## NATIONAL LABOUR LEGISLATION

### Government of India

#### Compulsory Recognition of Trade Unions by Employers: Legislation under consideration. \*

The Government of India is having under consideration an amendment of the Indian Trade Unions Act by which any trade union fulfilling certain specified conditions would be entitled to recognition by the employer. The conditions are that the Union is registered, maintains regular accounts and is certified by the Registrar as fulfilling certain other legal requirements. Departmental experts of the Government, it is understood, have already approved the draft. It is further reported that the proposal that any provincial Government may also impose a condition requiring such a union to have on its rolls a certain percentage (not exceeding 30) of workers whose cause is espoused by the union has been dropped, as such a limitation would hinder the development of trade unions. In view, however, of the varying conditions in the provinces, discretion is to be left to the provincial Governments to impose any further conditions for compulsory recognition of unions.

(The Statesman, dated 9-4-1943.)\*

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SOCIAL POLICY

Summary

Agenda for May Meeting of Tripartite Standing Labour Committee, Bombay,  
7 and 8-5-1943.

Various schemes to secure the welfare and efficiency of labour in wartime will be discussed by the Tripartite Standing Labour Committee at their next meeting which will be held in Bombay on 7 and 8-5-1943. The main items on the agenda are: collection of statistical information regarding wages, hours of work, etc., establishment of joint labour management committees on the U.S.A. model in undertakings engaged in war production; insertion of a fair wages clause in Government contracts; a scheme to establish employment exchanges for skilled and semi-skilled personnel; and a plan for labour legislation and labour welfare during wartime.

(The Statesman, dated 15 14-4-1943.)

Tripartite Standing Labour Committee Meeting - Bombay, 7 and 8-5-1943:  
Labour Welfare in War Time - Employment Exchanges - Fair Wages  
Clause in Government Contracts.

Questions relating to welfare of labour, production for war, employment of skilled and semi-skilled personnel, industrial disputes and collection of statistical information in labour problems were discussed at the meeting of the Tripartite Standing Labour Committee which ~~concluded on 5-5-1943, after a two-day session in Bombay.~~ Dr. Ambedkar, Labour Member, Government of India, presided.

Subjects Discussed - Employment Exchanges.- There was a general opinion in favour of the scheme for establishing employment exchanges for skilled and semi-skilled personnel, the scheme being conducted on a voluntary basis. The suggestion ~~x~~ that there should be representatives of Provincial Governments on the advisory committees attached to employment exchanges was also adopted.

Fair Wages Clause in Government Contracts.- Another item on the agenda was the one regarding the insertion of a fair wage clause in Government contracts. There were suggestions to the effect that contracts other than those of the Public Works Department should also be covered.

Labour Legislation and Labour Welfare during War Time.- The item - plan for labour legislation and labour welfare during wartime - covered aspects like social security, wages and welfare; the question whether wage boards were desirable in India also came for discussions. The delegates were assured that the Government of India were anxious to use the machinery of the tripartite conference as an advisory body to help them in achieving further progress in respect of labour welfare measures. It was generally agreed that it was advisable that labour officers should be appointed in industrial undertakings with a view to maintain close touch with labour, hear its grievances and secure redress as expeditiously as possible. Reference was made to the scheme for the training of labour officers by the Bombay Millowners' Association.

(The Hindustan Times, 10-5-1943.)

Working of the Mysore Workmen's Compensation Act in 1941-42

The number of persons injured by accidents and eligible for compensation under the Workmen's Compensation Act in the industrial establishments of Mysore State during 1941-42 was 3,525, representing an increase of 164 over the figures of the previous year. Out of these 56 were fatal, 746 were permanently disabled and 2,723 were temporarily disabled.

Compensation paid by employers amounted to Rs. 333,431 as against Rs. 279,010 in 1940-41, the mining companies on the Kolar Gold Field alone, accounting for Rs. 322,055. The compensation paid to the ~~dependant~~ dependants of those involved in fatal accidents amounted to Rs. 43,650 as against Rs. 33,620 in the previous year. Compensation paid in respect of those permanently disabled amounted to Rs. 265,172 as against Rs. 321,662 in the previous year. Out of this, compensation paid in "silicosis" cases by the mining companies on the Kolar Gold Field amounted to Rs. 245,797 as compared to Rs. 199,502 in 1940-41 and Rs. 24,956 in 1939-40. Those temporarily disabled were given compensation to the extent of Rs. 24,569 as against Rs. 23,727 in 1940-41.

The average amount of compensation paid in respect of each fatal accident was Rs. 780, Rs. 367 in each case of permanent disablement and Rs. 8.2 in that of temporary disablement, the corresponding figures for the previous year being Rs. 800.4, Rs. 327.9 and Rs. 8.9 respectively.

(The Mysore Information Bulletin, March 1943.)+

Factory Administration in India in 1940.\*

(The Statistics of Factories subject to the Factories Act, 1934, for the year ending 31-12-1940 is marked "For Official Use only" and is not a priced publication. In giving the New Delhi Office two copies of this publication, one of which is meant for the Head Office (this copy was forwarded to Montreal with our minute D.L./410/43 dated 27-5-1943), the Labour Department, Government of India, specially reminded me of the change, which, I understand, is ~~due~~ due to the acute scarcity of paper. There would therefore be no objection to the Head Office making use of the information given in the publication for its usual official purposes.)

Amendments to the Factories Act, 1934.- During the year the Act was amended extending its provisions dealing with health, safety, children and registration to power factories employing 10 to 19 persons, if any of those persons is not qualified to work as an adult. Provincial Governments were given full power to extend these provisions to power factories employing less than 10 persons on the same condition.

Number of Factories.- The total number of registered factories was 12,136 as compared with 11,629 (revised) in 1939. The number of factories actually working, including 1,970 factories notified under section 5 (1) of the Act, was 10,919 of which 7,320 were perennial

\*Statistics of Factories subject to the Factories Act, 1934 (XXV of 1934) for the year ending December 31, 1940. Together with a Note on the working of the Factories Act during the year. Published by order of the Government of India (For Official Use Only). Printed by the Manager, Government of India Press, Simla. 1942. pp. 39.



and 3,599 seasonal. The percentage of registered factories that worked during the year was 89.9 as in the preceding year. The extension of the Act is expected to regularise the working conditions and also to give much needed relief to the women workers.

Statistics of Operatives.- The average number of operatives employed during the year increased from 1,751,137 to 1,844,428, the highest figure recorded so far. Of the 1,844,428 operatives, 169,163 worked in Government and local fund factories (168,125 in perennial factories; 1,038 in seasonal factories) and 1,675,265 in other factories (1,379,896 in permanent factories; 295,369 in seasonal factories). The most marked increases were in Bengal (21,886), the United Provinces (20,896), Bombay (14,564), Madras (13,928), Bihar, (8,611), the Central Provinces and Berar (3,761), the Punjab (2,895) and Sind (2,185). In Bengal, the United Provinces and Bombay the increase was owing to the increased employment in ordnance, textile, engineering, leather and shoe and other allied factories engaged on war supplies. The number of workers employed in the cotton textile industry increased from 488,554 to 490,815. In Bombay, however, the number of adult shifts worked in the cotton textile industry was 86,544,129 as against 89,393,809 in 1939. The decrease was due to fluctuations in the night shifts, and to a general strike in Bombay of about six weeks' duration. Jute mills employed 303,777 in 1940 as against 298,967 in 1939.

Employment of Women and Children.- The number of women employed in factories increased from 239,414 in 1939 to 243,464 in 1940, while the number of children employed decreased from 9,403 to 9,399. The percentage of women to the total factory population was 13.19 as compared with 13.7 in 1939. The percentage of children slightly decreased from .54 to .51. Madras (5,330), Bihar (851), Sind (446) and Bombay (301) were mainly responsible for the increase in the number of women employed. In the United Provinces, the decline in the number of women workers continued ~~in~~ during the year, mainly due to the introduction of the Maternity Benefit Act, when the employers preferred dispensing with the services of women and employing men or boys instead. There was an appreciable increase in the number of children employed in these provinces - ~~the~~ 333 in the United Provinces, 211 in Bihar and 147 in Ajmer-Merwara.

Hours of Work: Extensions Granted.- Percentage of factories in which the normal weekly hours are:-

	Not above 42.	Between 42 and 48.	Above 48.
<u>Perennial</u>			
For men	5	23	72
For women	11	17	72
	Not above 48.	Between 48 and 54	Above 54
<u>Seasonal.</u>			
For men	26	10	64
For women	36	7	58

The majority of factories worked to the full limits permitted by the Act. Exemptions were granted in different provinces to a number of factories from the provisions of the Factories Act relating to hours of work, weekly holiday, spreadover, etc., of adults to meet conditions arising out of the war. In Bengal, 30 concerns engaged in war work were granted exemptions under sections 34, 35, 36, 37 and 38 of the Act. In Bombay, 346 temporary exemptions were granted to meet seasonal pressure of work in the small factories, and the demand on industry

as a result of the war. 20 temporary exemptions were also granted under section 8 of the Act. Particular care was taken to ensure that overtime was remunerated at the enhanced rates. No trouble was experienced in larger factories but several of the small notified concerns only paid up after the special check visits of the Inspectors. In the United Provinces the employment of workers in overlapping shifts, particularly in the textile factories continued to increase and detection of irregularities in respect of periods of employment was practically impossible. In the Central Provinces and Berar closer control had to be exercised over the working hours and holidays of the workers especially in the seasonal factories where there has been a tendency to exploit labour and to violate the provisions regarding the hours of work. In the North-West Frontier Province, the Government Grass Farms situated at various stations and the Grain Crushing Depot, Peshawar, continued to avail themselves of the exemption granted for the period of the war from the application of sections 34, 35 and 36 of the Act.

Wages.- The wages of skilled and unskilled labour were more or less steady in the majority of the Provinces. In Assam, Bihar, Delhi, Madras and Sind some well established concerns granted their workers war time bonus and dearness allowance.

Safety of Workers.- The number of recorded accidents increased from 36,006 in 1939 to 41,079 in 1940. Fatal accidents increased from 221 to 236, serious accidents from 5,837 to 6,857 and minor accidents from 29,948 to 33,986. The incidence of all accidents per 100,000 operatives rose from 2,056 to 2,227 during the year. The increase has been attributed to increased activities in the various industries due to war, carelessness of workers and better reporting. The safeguarding of machinery and plant continued to receive close attention in all Provinces. In the jute mills in Bengal, although certain minimum standards of fencing and safeguarding with respect of jute process machinery have now generally been secured, yet accidents continued to occur generally as the result of the hazardous behaviour of the workers. The circumstances of all such accidents have been carefully studied and where improvements have been possible, they have been adopted. Special attention was paid to hazards connected with war work in the shape of manufacture of special fabrics and special methods of packing. Attention has also been paid to ordnance works consequent on the employment of workers not ordinarily used to machine shop hazards and also to the workers engaged on hazardous operations (lead, aerated water, rubber, chromium, cellulous spraying and miscellaneous). Safeguarding of machinery in printing presses, rice, flour, oil, paper and board mills, glass works, shellac, tea and small engineering and other small miscellaneous concerns also received due attention. Apart from fencing associated with process machinery, safeguarding connected with the railway sidings, coal bunkers, jetties and river bank erosions has been effectively pursued. In the United Provinces, prohibitory orders were issued in a number of cases under section 26 (2); in a few cases, prohibiting the use of machinery was resorted to instead of prosecution. The importance of the use of tight fitting clothings was as usual strongly impressed on the factory managers. In Bihar, while improvement was maintained in the Province as a whole instances were not wanting wherein conditions were allowed to deteriorate and safeguards neglected or not replaced after repairs to machinery. The total number of safety committees formed in Bihar was 40; active interest on safety and adoption of safety measures was taken by some of them. In Bombay, the guarding of machinery in rice mills and guruhals (cane crushers) has improved. Due attention was also paid to the developments that have occurred in the standard of fencing adopted by makers of machinery in the artificial silk industry, which is not as high as

in the cotton textile industry. A safety film prepared by the Welfare Department of the Government of Bombay was shown to the gatherings of mill operatives at the Government Welfare Centres and also at the exhibitions held by the Bombay Presidency Baby and Health Week Association.

- Inspection.- The number of factories inspected during the year was 9,965 or 91.3 per cent. of the working factories as against 86.4 per cent. in ~~the~~ 1939. The percentage of perennial and seasonal factories inspected to the total number of such factories was 93.6 and 86.4 as against 90.1 and 79.2 during 1939. In the United Provinces there was only one factory left uninspected and in Ajmer-Merwara, Delhi, Coorg and Bangalore none was left uninspected.†

Legislation to check flotation of Banks on Unorthodox Lines:  
Reserve Bank's Representation to Government of India.

The Central Board of the Reserve Bank of India recently urged the Government of India to undertake legislation for the amendment of certain sections of the Indian Companies Act so as to check the undesirable development of banking industry in the country on unorthodox lines. In a representation addressed to the Government, the Board says:

Inadequate Paid-up Capital.- "We have been maintaining a careful watch over current banking developments, and in view of the recent flotation of a number of new banks have considered it desirable to collect and study particulars about new banks organised since the outbreak of war. Since September 1939, 38 new banking companies, including two in Indian States, have come into existence. Out of the 36 banks which have been registered in British India, 16 have an authorised capital of Rs. 500,000 lakhs or over, and in six cases the paid-up capital is also known to be over this limit. The authorised capital ranges from Rs. 1 lakh to Rs. 200 crores. The majority of new institutions seem to have commenced business with paid up capital which would be generally regarded as inadequate. What, however, seems to us to be really disquieting is that of the 13 banks whose subscribed and paid-up capital are known only four banks satisfy the proportion suggested by us, viz., that the subscribed capital should be half the authorised capital."

Distribution of Shares: Control by Groups.- "There is a further undesirable development to which we would invite the attention of Government. Particulars regarding the division of capital into preference, ordinary and deferred shares are available in respect of 23 banks or over. Of these, four have preference, ordinary and deferred shares, three have preference and ordinary shares, while the remainder have only ordinary share capital. In one case the preference share capital is more than twice the ordinary share capital and there are no deferred shares, but where all three kinds of capital occur, the ordinary share capital is larger than the preference, which in turn exceeds the deferred. In several such cases the inference is that the distribution of shares among the various categories has been so arranged as to ensure a controlling voice in the management to an individual or a small group. The dangers of this practice are not confined to the preference and ordinary shareholders, who, it might be argued, should read the prospectus and judge for themselves. What we are concerned about is the risk to the public. As, if profits in any particular year are large, a disproportionately large share will accrue to the deferred shareholders, there will be a strong temptation to the management to indulge in unsafe or speculative business without proper regard for the interests of the depositors."

Management.- "A similar danger attends the various devices to get round the principle underlying Section 277-H of the Companies Act, which prohibits a bank being managed by a managing agent other than another banking company. Many of the banks appear to owe their origin to the efforts of one or two enterprising individuals, who have got themselves appointed as the Managing Directors, and it is not uncommon for the Managing Director to enter into an agreement with the Bank for a long term varying from 15 to 20 years, the latter period being the most usual ensuring him a fairly high salary and allowances and in certain cases a percentage of profits, after the bank is able to declare a specific rate of dividend, which is generally fixed at a low figure. Where the prospects of profit-sharing are high the salary of the Managing Director

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is kept low so as to make the fixed part of his remuneration look modest. Eight of the new banks have provisions of this sort in their constitution. ... Section 277-H thus seems capable of evasion, and we are referring these cases separately to Government so that they may examine whether they comply with the law, and consider whether any drafting amendment of the section can be effected to stop what we consider an undesirable development."

Post-War Banking.- "Whether in the existing conditions the mere organisation of new banks is or is not likely to provide the necessary avenues for profitable employment ~~in~~ of funds is a matter on which there might be difference of opinion, but the Board feel that more than ordinary caution is called for in the organisation and management of new banks in view of the difficulties and the disturbances, which the post-war period is certain to bring. In their view it is of the utmost importance that the capital structure and the system of management of banks should be of such a nature as to minimise the temptation towards an over-ambitious and get-rich-quick policy, and to encourage in its stead caution and steady banking on well-tried orthodox lines."

Suggestions.- The Board, therefore, has requested the Government to have the Companies Act so amended ~~as~~ to provide that the subscribed capital of a bank may not be less than half the authorised capital and also that no banking company may have other than ordinary shares. It is pointed out that, since the capital structure of a bank has an important bearing on the mode of its management and since the failure of a bank does far greater harm than the failure of any other kind of company ~~owing to its repercussions~~ not only on the savings and fortunes of the actual depositors, but also on the general economic fabric of the country, measures should be taken to eliminate these factors which are likely to encourage speculative banking in these uncertain times.

Government eliciting ~~public~~ Public Opinion on Board's Suggestions.- It is understood that the Government of India has asked provincial Governments to elicit commercial and public opinion before the end of July 1943 on the proposals, ~~x2~~ so as to be able to place the necessary amendment of the Indian Companies Act for consideration by the Central Legislative Assembly in August, 1943.

(The Times of India, 8-4-1943.).

Dangers of Inflation:  
Statement by Leading Indian Economists: +

In the second week of April 1943, twenty leading economists of India issued a joint statement regarding the financial and economic policy of the Government of India. Copies of the statement have been sent to the Finance Member, Government of India, and to Mr. William Phillips, President Roosevelt's personal representative in India. The statement received wide publicity in the press. The main points brought out in it are summarised below:-

Expansion of Currency.- The rapid rise in the general price level during the past two years and the enormous expansion of currency in India are causally related. The unprecedented expansion of currency since the war began is due chiefly to the system adopted for financing the large British and other allied purchases in India, under which the Government of India accepts payment in sterling and provides rupees in exchange. For all these purchases India acquires, under present arrangements, sterling assets in London and against these there occurs an expansion of currency in India. The provision of internal finance in

India for these purchases is a necessary concomitant of this accumulation of sterling assets in London and the responsibility for this financing falls on the Indian Government in the same manner as that for any part of the expenditure included in its regular budget. The failure of the Government of India to recognise this fundamental and essential fact has prevented it from taking the proper view of the economic and financial situation in the country.

Deficit-induced Inflation.- The Government seems to act as if it is enough for it to take care of its own budget deficit while meeting ~~the~~ the needs of the British Government by printing more notes. This is a grave misreading of the whole situation and has resulted in an ever-increasing expansion of currency unrelated to the needs of internal production and trade. As a result, the inflationary spiral is already at work in India. The net inflationary gap in India's finances, counting in the finance made on behalf of His Majesty's Government is thus being wholly filled by the creation of more currency. The inflation in India is, therefore, a deficit-induced, flat-money inflation. ~~It~~ It is the most disastrous type of inflation. The repatriation of India's sterling obligations does not act as an anti-inflationary factor, except to the extent to which the rupee counterparts are taken up by the public but this has so far been only small in proportion.

Dangers of Inflation.- Inflation is the most inequitable way of distributing the war burden and usually involves large transfers of wealth from the poorer and the middle classes to the richer classes. It is also undesirable because it increases the cost of war and impairs the war effort by hindering production and distribution. Its consequences to economic society are immediately felt; it, however, also holds the threat of bringing about, later, political consequences of an even graver nature.

Increased Taxation and Borrowing Urged.- Immediate and drastic measures to check inflation are called for. The primary necessity is to close the 'gap' by increased taxation and borrowing. Taxation should be raised to the highest practicable pitch, adjusted to shoulders that can most bear it. Other steps are a much steeper progression in income-tax rates, the laying of a maximum limit to individual consumption, and income, and absorption of all profits above the limit either to revenue or into special loan contributions. To increase the volume of borrowings to the required level, it is necessary to institute a comprehensive scheme of compulsory savings as well as a rigid control of all investment outlets.

A Curb on Profits and Wages.- This programme should be brought into effect with great rapidity. However, it will take some time before the inflationary gap is completely closed and the total currency in circulation is today already greatly redundant even at the existing high prices. To tie up this vagrant purchasing power, the immediate initial step of a blanket control of all prices, followed by a strict examination of all later allowable increases, is necessary. In order to make this price control measure effective, a policy of centralised supervision and direction of productive effort will be necessary. This will in its turn involve equally strict regulation of transport and distribution machinery on a national scale. A rationing of the essential necessities of life should be undertaken to as large an extent as possible. An effective control of prices will involve a wage stop, but this will mean no hardship as long as the price rise is stayed. An equally strict profit stop is indicated as a corollary of this policy as well as independently on account of financial considerations.

Among the 20 signatories are included Professors V.G. Kale, P.A. Wadia, K.T. Shah and C.N. Vakil. (The Bombay Chronicle, 13-4-1943.)

## Textile Industry.

### Conditions in Textile Industry in 1942-43: Review at Millowners' Associations (Bombay) Annual Meeting.

Conditions in the textile industry during 1942-43 were reviewed by the Chairman and Deputy Chairman of the Millowners' Association, Bombay, at the Annual General Meeting of the Association held at Bombay on 5-4-1943. The more important points in their speeches are briefly noticed below:-

Speech of Chairman (Mr. Krishnaraj M.D. Thackersey):- Production in 1942-43.- Japan's successes in the Far East and the imminence of the war scare led to panic in this country, and not only prices collapsed, but evacuations followed on a very large scale from industrial centres like Bombay, Madras and Calcutta. In Bombay, production in cotton mills suffered a severe setback, absenteeism cutting down output in the second shift by ~~an~~ about 50 per cent. Though, as expected, the operatives came back in large numbers from the end of May onwards, immediate resumption of normal output was, with the reshuffling of labour which had taken place, out of the question. The disturbances and the hartals in August, and the isolated strikes which were reported from several parts of the country were also responsible for a drop in production, and it is estimated that, in the year 1942-43, the cotton mills in India produced about 4,000 million yards as against 4,500 million yards in the previous year.

Mill Industry ready to reserve 60 per cent. of Production Capacity for Standard Cloth.- ~~The cloth supply position in the country was unsatisfactory~~ even in 1941, and though the Government of India had certain plans for the manufacture and distribution of standard cloth, the matter had not, for reasons known only to Government, gone beyond the discussion stage. Market prices shot up in consequence of the lag between supply and demand, and the standard cloth scheme was revised towards the end of 1942, and certain proposals acceptable to the Government and the industry were put forward and tentatively agreed to at a conference held in Bombay recently, which was presided over by the Hon'ble the Commerce Member. At this conference, the representatives of the industry, inter alia, agreed to place at the disposal of Government 60 per cent. of its productive capacity for the manufacture of standard cloth and the cloth required ~~by~~ by the army.

Production for War Demands.- The textile industry's relations with the Textile Directorate of the Department of Supply, Government of India, continued to be extremely cordial. The requirements of the Supply Department, which amounted to 1,000 million yards per year, have now been reduced to 700 million yards per year. With the rising tempo of war, a strict control in respect of a number of raw materials and stores used by the industry became absolutely indispensable, and though control in any form is generally repugnant to human sentiment, it must be said to the credit of the Directorate that these control laws have been administered in a fair and straightforward manner.

Restrictions on Export of Cloth.- To relieve the pressure on the cloth supply position in this country, a limitation in the exports of cotton piece-goods was suggested. The details were discussed with representatives of the Government of India at a series of conferences in Bombay, and as a result, Government have agreed that exports would not be allowed to exceed a maximum of 600 million yards of cloth per annum. This figure is subject to review. Government also agreed to set up an Advisory Committee to be associated with the Export Trade Controller.

**Future Prospects.-** The industry's fortunes will fluctuate with the events of the war. Though the military situation is not, by any means, as gloomy as it was ~~xxxxxx~~ a year ago, there is no room for complacency. This country is still capable of making a very substantial contribution to the war effort if the proper atmosphere conducive to such contribution were created. So long as the war continues, and provided nothing unfortunate happens to its great industrial cities, the cotton textile industry of the country will thrive. This does not mean that in 1943-44 the industry will be able to earn the same profit as in 1942-43. The reasons are not far to seek. Firstly, about 60 per cent. of this country's productive capacity has been placed at the disposal of Government for the manufacture of cloth required by the army and standard cloth, and the net yield on these cloths is nothing like what it is on the cloth sold to the market. Secondly, the general tightening up of the export regulation in respect of cloth would have a sobering effect on cloth prices, and thirdly, there are strong indications that control of the industry in some form or other would be brought in by the Provincial Governments if not by the Central Government.

**Speech of Deputy Chairman (Sir Vithal Chandavarkar):-** Reviewing loss to the industry occasioned by labour disputes, he said:- In Bombay City alone, there were 27 strikes in 1942 resulting in a loss of 224,000 man-working days as against 15 strikes and 163,000 ~~xxxx~~ man-working days in the preceding year. Almost all the strikes in 1942 were in contravention of the Bombay Industrial Disputes Act. In addition, there were stoppages aggregating to about 925,000 man-working-days for political and other reasons, thus bringing the total loss of production in man-working-days to 1,149,000 in 1942. This reveals a very unsatisfactory state of affairs. We had expected that the machinery provided in the Bombay Industrial Disputes Act and in the various Orders issued by the Government of India under the Defence of India Rules for the investigation and settlement of workers' grievances would do away with lightning strikes and put an end to avoidable ~~xxx~~ loss of production. These expectations have not borne fruit, and in spite of everything operatives still continue to resort to lightning strikes whenever it suits them. It is unfortunate that the authorities concerned seem inclined to bring about resumption of work, not by upholding the law, but by ~~xxxx~~ resorting to a policy of appeasement of labour, regardless of the psychological effect of such a policy on labour, and with the pressure which is often brought to bear on him, the employer has perhaps no option but to yield. The Committee of the Millowners' Association had occasion to draw the attention of the Central and Provincial Governments to the dangers underlying this policy, but without result.

**Prolonged Adjudication Proceedings in Labour Disputes.-** ~~Thinking~~ ~~xxxx~~ Another matter which has been causing considerable anxiety to the Committee is the lack of finality to the proceedings which can be instituted under the Bombay Industrial Disputes Act, and even if a worker failed to convince the Conciliator and/or the Industrial Court, he could still so manipulate things and secure the appointment of an Adjudicator under the Ordinance. There is no limit to the matters which can be referred to adjudication under the Ordinance, and there have been instances in which the same worker, who was the subject of proceedings in three separate Courts and lost every time, finally succeeded in securing the appointment of an Adjudicator under the Defence of India Rules, and the management out of sheer desperation entered into a compromise with him. This state of affairs is not conducive to the maintenance of internal discipline in mills. There have been cases in Bombay where the disciplinary action taken by the management strictly in accordance with the Standing Orders and subsequently endorsed by the Government Labour Officer has been made the subject of a notice of charge by the other operatives. The Bombay Industrial Disputes Act clearly



lays down that the Standing Orders are determinative of the relations between the employer and the employed, and in any event, there cannot be any action for specific performance of a contract of personal service.

Discipline in Factories.- The Employers' policy has always been to give labour a fair deal. They are prepared to go into all bona fide complaints and set matters right wherever possible, but they want labour and those who profess to lead them to understand that internal discipline in factories must be maintained. There seems to be a growing tendency abroad to regard immediate labour welfare and social legislation on British lines as the surest shortcut to perfect peace and harmony in the industry. The Government of India appear to be inclined to go even further and advocate legislation of the type which is without a known parallel in any other civilized country.

Recognition of Unions.- The attitude adopted by the Committee to certain proposals put forward by the Government of India in connection with recognition of trade unions has unfortunately been misinterpreted by a section of the Press. The position taken up by the Committee was dictated by its unfortunate experience in Bombay in the last ten years or more. Recognition of employees' unions should ordinarily come voluntarily from the employers, and there was no difficulty in recognition where the trade union concerned consisted of bona fide workers and was managed by representatives of workers and adopted strictly trade union methods in securing the redress of its members' grievances and was further in a position to impose its will upon its members in securing the due observance of all agreements and undertakings given by it in its negotiations with employers. Without prejudice to this contention, the Committee stated that the proper time to go into this matter would be when the war was over and normality had been restored. It went further and stated that if, in spite of what it said, Government wanted to proceed further in the matter, the conditions regarding the grant of recognition should be specifically laid down so as to ensure that the unions concerned did represent a substantial section of the labour whom they claim to represent. In doing so, it did nothing unusual and insisted only on the observance of those conditions which were laid down by Government in dealing with unions of State Railway employees.

Labour Legislation: Government losing the Pace.- Labour matters are demanding increased attention from the Government, ~~and it is a very likely~~ ~~that the Government will have to position in the assembly next year~~ ~~that the Government will have to position in the assembly next year~~ While there is scope for improvement of ~~work~~ relations with labour and their conditions of work, a great deal has been done in the last few years mainly through ~~own~~ initiative, sincerity and drive. With the sole idea of ~~placing~~ placating labour and with the hope of securing its support to the war effort, Government are forcing the pace. ~~What is being done today under the Defence of India Rules as a war measure~~ <sup>the employment of</sup> come to stay after the war whether the employers like it or not on the ground that a precedent has already been established.

Industry's capacity to pay limited.- While the employers shall be prepared to consider reasonable proposals designed to meet the temporary war expediency, they strongly feel that all proposals for labour legislation of a far-reaching character should be deferred for the duration of the war. Social and labour legislation means money, and the employers' commitments in this regard must necessarily be dictated to the industry's capacity to pay. Industrial prosperity which has been brought about by the world war is not likely to be of permanent or semi-permanent character, and it would be dangerous to embark on costly ventures of a permanent character till such time as we could safely estimate whether and if so to what extent the industry could undertake the financial responsibility inherent in such schemes.

(The Times of India, 6-4-1943  
Indian Textile Journal, April 1943).

Annual Meeting of Ahmedabad Millowners' Association, - 3-4-1943:  
Review of Labour and Economic Conditions.

The following are some of the more important points stressed in the speech delivered by Mr. Sakarlal Balabhai, President, Ahmedabad Millowners' Association, at the annual general meeting of the Association held at Ahmedabad on 3-4-1943:

Production for War Needs.- <sup>textile</sup> The industry during 1942-43 has enjoyed a spell of prosperity. Unlike the last war, however, India has this time become a theatre of war and on account of international factors aggravated by Japan's active participation in the war and her preliminary success, the economic resources of ~~the~~ country were taxed to the utmost limit and a correspondingly heavy demand has been made upon the textile industry. The industry, along with other principal industries of the country, supplied to the Supply Department their requirements, including the needs of some of the countries in the Middle East. Unfortunately, however, the Government simultaneously permitted exports for civilian markets to a considerable extent. As was only natural, therefore, considerable shortage of cloth was experienced in our own country. Consequently, the scheme of standard cloth for the masses has been evolved to which the industries are making adequate contribution.

Grain and Cheap Cloth Shops.- Since February 1942, the Millowners' Association apprehended a shortage of foodstuffs and, therefore, in addition to its normal activities, immediately opened cheap grain and sugar shops. ~~Its efforts have mitigated the difficulties of the public in very large measures.~~ It has also opened grain shops at each mill which will ensure a regular supply of food grains to the workers thus resulting in convenience to them as well as in maintaining their morale. It has also recently undertaken a scheme of selling cheap cloth to the needy public in the city. By the 31st March 1943, it is estimated that over 160,000 persons would have taken advantage of the scheme.

Labour Conditions.- Labour throughout the country has received its due share of attention in the year. Workers at all the centres have received adequate dearness allowance and have received further benefit in the form of bonus. Measures were also adopted to maintain their morale and adequate provision was made for their protection as well as to ensure supplies of food grains to them and to their families in emergencies. During the year, the Government of India also convened a Tripartite Conference consisting of representatives of Government, employers and labour. The Conference has appointed a Standing Labour Committee and it is expected that various labour problems will be dealt with by them in a manner satisfactory both to employers and workers. The Government of India have also selected a labour representative in their Labour Welfare Officer. The designation, however, is a misnomer inasmuch as, according to the information available, he has been entrusted with the work of making far-reaching proposals to the Government. It was, therefore, only right that an employers' representative should also have been selected to work in coordination with him in order to establish and maintain harmony between employers and workers without disturbing the economic stability of the industries. As a matter of fact, the Association had made a representation to the Government to this effect but it is disappointing that the plea has not been accepted. The textile industry is paying full dearness allowance and, in addition to this, the workers also obtain their essential food and clothing requirements at cheap rates from mill shops. The industry has also granted them bonus. It can legitimately claim that, so far as the textile workers in Ahmedabad are concerned, their interest and welfare have always received its sympathetic consideration.

It is gratifying to note that it was possible to arrive at a settlement with the Textile Labour Association without recourse to conciliation or arbitration.

Transient Prosperity.- The industry is at present passing through a period of prosperity. This prosperity is not only transient, but the post-war slump, which is inevitable, has also to be considered. The industry should look ahead and make suitable provision for the future. In spite of the high earnings of the mills, on account of the increased burdens in the form of taxation, the net available surplus will be comparatively small and may not be adequate for any future period of depression. The claims and needs of various components of the industry have also to be met to a reasonable extent, and a wise and balanced distribution, will, therefore, be essential. At this juncture, it would not be out of place to refer to ~~the~~ suggestion for restricting dividends, which has been mooted in certain quarters. This, however, ignores local conditions prevailing in each industry and each centre. In my opinion Government would be well advised to consult industrialists before taking any decision.

Need for Planned Reorganisation.- The Ahmedabad textile industry is handicapped by economic ills such as high level of wages, disparity in railway freights, etc. In addition to these, recently its burden has also increased by the increase in supertax and incometax. All these will have vital effect on the economics of the industry. A planned reorganisation of each unit on a scientific basis eliminating all possible waste is therefore necessary, and unless this is done as quickly as possible, the Ahmedabad industry will be faced with the problem particularly of increased competition by outside centres. In the matter of employment also, rationalization will have to be adopted on a large scale. In regard to industrialization, no substantial achievement has been made and it is a matter of serious disappointment to the country that the opportunities occasioned by the War have not been utilised to any appreciable extent. Only a few small industries have come into existence. In the future scheme of reconstruction, these few industries which have come into their own or which have received impetus should be safeguarded to enable them to withstand the vicissitudes of post-war adjustment. In regard to old and existing industries also careful and mature planning will be necessary because, apart from the broader issue of vital changes in fundamental concepts and values, few industries in India are in a position to withstand the economic upheaval which is bound to ensue at the end of the War.

(The Indian Textile Journal, April 1943 issue). +

Income Levels in British India in 1940-41;  
All-India Income-Tax Report Statistics.

Interesting details regarding the level of incomes during the first two war years are given in the All-India Income-Tax Report for 1940-41.

Individual persons with total incomes of over Rs. 200,000 per year were only 120 in the whole of British India. Of these 68 were in the Bombay Province, 24 in Bengal, 8 in Madras, 6 in the Central Provinces, and 4 in Delhi. Those with an annual income of over Rs. 50,000 per year were only 1,456 in the whole country. The total number of assesseees - those with annual incomes of over Rs. 1,500 per year - were just over 3 1/2 lakhs, in the year 1938-39, the number was less than 286,000. The total income assessed in 1940-41 was Rs. 21,494 lakhs as against Rs. 17,626 lakhs in 1938-39.

Super-tax returns for 1940-41 show that the number of individual assesseees with annual incomes of over Rs. 5 1/2 lakhs were only 19 in the country. The total number of individual super-tax payers were 6,696 in 1940-41.

1940-41 (annual incomes over Rs. 25,000) as against 2,864 in 1938-39 (annual incomes over Rs. 30,000). The number of companies and other concerns assessed at company rate for super-tax were 3,829 in 1940-41 as against 891 in 1938-39. (One lakh = 100,000).

(The Hindustan Times, 5-4-1943). +

Working Class Cost of Living Index Numbers for Various Centres in India during December 1942. +

The index numbers of the cost of living for working classes in various centres of India registered the following changes during December, 1942, as compared with the preceding month:

<u>Name of Centre</u>	<u>Base = 100</u>	<u>November 1942</u>	<u>December 1942</u>
Bombay	Year ending June 1934	178	188
Ahmedabad	Year ending July 1927	137	149
Sholapur	Year ending January 1928	143	147
Nagpur	August 1939	190	208
Ludhiana	1931-35	256	288
Cawnpore	August 1939	224	224
Patna	Average cost of living for five) years preceding 1914 )	228	222
Jamshedpur	Ditto	242	226
Jharria	Ditto	234	248
Madras	Year ending June 1936	156	158
Madura	Ditto	153	167
Coimbatore	Ditto	170	174

(Monthly Survey of Business Conditions  
in India for December 1942.). +

SOCIAL INSURANCE

Government's Sickness Insurance Scheme: Employers' and Workers' Representatives to Advise the Special Officer Nominated.

Reference was made at page 12 of our March 1943 report to a scheme of sickness insurance for industrial workers that is being drafted by Professor B.P. Adarkar, special officer appointed by the Government for the purpose. According to an unofficial note dated 20-4-1943 issued by the Principal Information Officer, Government of India, the following employers' and workers' representatives have been nominated by the principal organisations of employers and workers to advise Professor Adarkar. Messrs. S.C. Joshi and N.N. Mirajkar (All-India Trade Union Congress); Messrs. V.M. Tarkundo and George Lobo (Indian Federation of Labour); Messrs. J.C. Lancashire, G.M. Gerry and A.H. Bishop (Employers' Federation of India); Sir Shri Ram and Mr. Kasturbhai Lalbhai (All India Organisation of Industrial Employers). Professor Adarkar will also have the assistance of the office of the Superintendent of Insurance, Bombay.

The Note also points out that the scheme will be based on compulsory contributions from employers and workers and there will be no contributions from the Central or Provincial Governments. Most of the Provincial Governments, however, have agreed to give a guarantee to the Fund by way of advances in the event of any deficit arising in any particular year or a series of years. The Government concerned will be called upon to make such advances pro rata on some agreed basis. They will be reimbursed later from surplus in the Fund brought about by readjusting contributions and benefits.

A questionnaire is being circulated among the Provincial Governments and the various organisations of employers and workers inviting their ~~own~~ opinion on matters like the workers' eligibility to contribute, their eligibility to receive benefits, the nature and extent of contributions to be made by employers and workers, the extent and duration of cash benefits, and the advisability of bringing Maternity Benefits under Sickness Insurance. The problem is being studied in the light of the measures introduced in foreign countries.

(A copy of the questionnaire was sent to Montreal with this Office's minute B.1/361/43 dated 19-4-1943.)

(Summarised from Unofficial Note dated 20-4-1943 issued by the Principal Information Officer, Government of India.)

The New Delhi Special Representative of the Times of India reports that Professor Adarkar may be expected to make his report before the middle of July and the draft Bill may be ready by November for consideration of the Assembly during the budget session.

(The Times of India, 14-4-1943.)

EMPLOYMENT, UNEMPLOYMENT AND VOCATIONAL TRAINING

Bihar Employment Bureau: Work in 1939-40.\*

The following brief account of the work of the Employment Bureau, Bihar, during the year ended 31-3-1940, is extracted from the Annual Report of the Director of Industries, Bihar, for the same period.

During the year under report the work of the Bihar Employment Bureau was enlarged and its activities extended. It registered the names of 792 candidates possessing different qualifications making a total of 3,416 candidates registered up to 31-3-1940. The Bureau gave wide publicity to 472 vacancies occurring in the various railways running through the province and also to the vacancies advertised by the Federal Public Service Commission and by the various departments of Government.

During the year enquiries with regard to prospects in different industries and professions and also regarding the particular type of education to be given to the young men of the province in order to make them fit to earn their livelihood, were made by approximately 1000 students and their guardians and the required information was supplied to them. The Bureau made a census of educated unemployed through the educational institutions of the province (both general and technical) from 1-1-1939 to 31-12-1939. The number of the unemployed as reported by these institutes totalled 1,675.

The Bureau continued its efforts as in previous years in requesting firms and factories situated in the province and outside from whom purchases of stores are made to employ the candidates nominated by the Department of Industries. As a result of the efforts made by the Bureau, the percentage of Biharees employed in some of the big firms both within and outside the province has risen as compared with the number of the Biharees employed in these concerns before the existence of the Bureau. During the year requisitions for 793 posts were received making a total of 2,893 posts requisitioned up to 31-3-1940 and 141 persons were appointed either in posts or in apprenticeships making a total of 666 persons appointed up to that date.

The proposal for launching an apprentice scheme for imparting both theoretical and practical training to young men of the province which was formulated in accordance with the resolutions passed by the Employment Board at its meeting held on 4-6-1938 and which was submitted to Government for approval in 1939 is still under consideration of Government.

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\* Annual Report of the Director of Industries, Bihar, for the year 1939-40. Superintendent, Government Printing, Bihar, Patna. 1943. pp.92.

No Despatch of Indian Labour to Ceylon Rubber Estates:  
Ceylon Government drops Negotiations.+

In the course of a statement in the Council of State on 3-4-1943, Mr. G.S. Bozman, I.C.S., Secretary, Indians Overseas Department, Government of India, announced that the negotiations that were being carried on by the Government of Ceylon with the Government of India for supplying Indian labour for the rubber estates of Ceylon (vide pages 17-19 of our February 1943 report) have been dropped, the Government of Ceylon having informed the Government of India that it has been now found possible to obtain locally additional workers needed for increasing the rubber output for war needs.

(The Hindustan Times, dated 4-4-1943.)+

Family Budget of Indian Estate Labourers in Ceylon:  
Report of 1941 Enquiry.\*

The Ceylon Government instituted in 1941 an inquiry into the family budget of the Indian Estate Labourers in the Island. The main ~~but~~ findings of the Inquiry Commission's report (published in October 1941) are summarised below:-

Method of Inquiry.- The inquiry relates to the labour population numbering in 1939 about 679,000 in the tea and rubber estates of Ceylon. Before the inquiry started, it was decided that the estates on which the inquiries should be conducted should be selected by the Chairmen of the District Planters' Associations who, it was expected, would choose estates, the Superintendents of which were likely to take an interest in the conduct of the inquiry, and subject to this the District Chairmen were advised to nominate estates as widely separated from each other as possible. It was also decided that in each district five per cent. of the estates should be chosen. The families on each estate were chosen by the process of random selection. The Superintendent was instructed to select each 50th name on the check-roll, i.e., pay-roll, and the particulars for the family of which that worker was a member were to be collected. The intention was that the estate should be chosen by the method of purposive selection and the families by the process of random selection.

Scope of Inquiry.- In this inquiry the usual distinction between up-country, mid-country and low-country estates has been maintained. Altogether returns were received for 227 families from up-country, 169 families from mid-country and 120 families from low-country estates, which gives a total of 516 families whose budgets were collected. The total number of persons in the 516 families may be classified as follows:

	<u>Up-country</u>	<u>Mid-country</u>	<u>Low-country</u>
<u>Workers:</u>			
Men	268	210	143
Women	224	171	95
Children (between 10 and 15 years).	155	159	86
<u>Non-workers</u>	407	339	207

\*Report of an Inquiry into the Family Budget of Indian Estate Labourers (M. Rajanayagam, Esq., Deputy Controller of Labour). October 1941. Printed at the Ceylon Government Press, Colombo. 1941. pp.38.

The total number of workers on tea and rubber estates in Ceylon in 1939 was 205,134 men; 191,651 women, and 62,744 children, which gives the total number of workers whose families have been selected at .3 per cent. of the total. During the quarter August to October, 1939, the labour population was approximately 377,000 on up-country estates, 173,000 on mid-country estates, and 129,000 on low-country estates. The percentages of each area are 2x .26 for up-country, .45 for mid-country and .37 for low-country. The mode of living, standard of life and social customs of the labourers being more or less the same, the report points out that the .3 per cent. covered by the inquiry may be regarded as a fairly representative sample.

**Income.-** The average monthly (24 working days for adults and 20 for children) earnings of a man, woman and child in the three regions is as follows:

	<u>Up-country</u>	<u>Mid-country</u>	<u>Low-country</u>
Man	Rs. 14.34	Rs. 13.82	Rs. 13.41
Woman	Rs. 9.45	Rs. 9.97	Rs. 9.12
Child	Rs. 9.98	Rs. 9.10	Rs. 8.63

A family's income is usually made up of various items - basic wages, war bonus, overtime wages, income from rice allowance, etc. The average basic earnings of a family are estimated as follows:-

Up-country	Rs. 31.79
Mid-country	Rs. 35.36
Low-country	Rs. 25.28

War bonus is paid at the rate of Re. 1 per male adult, Re. 0.75 for a woman and Re. 0.5 for a child. In addition the estates are bound to supply a certain quantity of rice to each labourer at a price which should not exceed a certain maximum fixed by agreement with the planting community. The price fixed at estates does not fluctuate so violently as in the open market and in many cases estates sell rice to the labourer at a figure which is less than the market-price. The average income of a family from this source is as follows:-

Up-country	Re. .63
Mid-country	Re. .42
Low-country	Re. .34

The employer also has to supply  $\frac{7}{8}$  of a bushel of unblended rice to every adult man worker above the age of 16 and to every widow with at least one child below 10 years, residing on the estate, or in the alternative to provide one or more meals of rice and curry of specified standard. In addition, women workers are entitled to maternity benefits.

The following table indicates a family's income from various sources:

	<u>Up-country</u>	<u>Mid-country</u>	<u>Low-country</u>	<u>Weighted Average</u>
	Rs.	Rs.	Rs.	Rs.
Normal earnings	31.79	35.36	25.28	31.38
Other earned income (War bonus, weeding contract, Pence or Head Money, Cash plucking, Overtime, etc.)	1.9	1.68	1.56	1.76



(table continued)

	Up-country	Mid-country	Low-country	Weighted Average
	Rs.	Rs.	Rs.	Rs.
Income on rice including free rice or free meals.	2.12	1.83	1.48	1.91
Free benefits (sick rice, pensions, medical help, free milk, maternity benefit, etc.)	.33	.59	.64	.47
Foodstuffs grown	.82	.65	.40	.70
Other sources (kaddai dividend, children's pay).	.92	.73	.42	.78
Total	<u>37.06</u>	<u>40.19</u>	<u>29.38</u>	<u>36.30</u>
Total per equivalent adult male.	<u>11.03</u>	<u>10.47</u>	<u>9.07</u>	<u>10.50</u>

A labourer obtains two other free benefits, namely, housing and fire-wood, regarding which data could not be obtained. With these benefits added, the average total monthly income per adult male is Rs. 12.43, Rs. 11.87 and Rs. 10.47 for up-country, mid-country and low-country estates respectively.

**Expenditure.**— The expenditure items are classified under five heads: food, rent, clothing, fuel, light and miscellaneous. Of these, charges for lodging and firewood, for which the labourer does not pay from his pocket (these are given free by the employer) are assessed at Re. .9 and Re. .5 in all three areas. Rice is predominantly the most important article of diet and it consumes nearly 50 per cent. of the total expenditure on food. Miscellaneous items include, among others, education, medicine, transport, amusements and ceremonials. Below is given the full table of expenses:—

	Up-country	Mid-country	Low-country	Weighted Average	
	Rs.	Rs.	Rs.	Exp. Rs.	Percent.
Food	7.125	6.901	6.377	6.93	60.0
Rent	.9	.9	.9	.9	7.8
Clothing	1.37	1.228	.89	1.24	10.7
Fuel and Light	.72	.744	.712	.72	6.2
Miscellaneous	1.85	1.814	1.46	1.77	15.3
Total	<u>11.965</u>	<u>11.587</u>	<u>10.339</u>	<u>11.56</u>	<u>100.0</u>

The following table gives the percentage expenditure on the different groups for Colombo City, Madras, Bombay, and Ahmedabad:—

	Colombo City (1940)	Madras (1938)	Bombay	Ahmedabad
Food	52.40	52.63	52.32	57.90
Rent	15.96	11.14	7.67	11.74
Clothing	8.36	4.50	8.40	9.45
Fuel and Light	6.28	6.67	7.29	7.04
Miscellaneous	17.00	25.06	20.32	13.87

Anti-Indian Legislation in South Africa:  
Senate passes the Trading and Occupation of Land (Transvaal and  
Natal) Restriction Bill. +

Reference was made at page 15 of our March, 1943, report to the Inquiry Commission that had been appointed by the South African Government to inquire into the extent of Indian penetration in the European areas of the City of Durban. On the basis of the findings of the Commission, Mr. Lawrence, Minister for Interior, introduced in the South African Assembly, on 10-4-1943, the Trading and Occupation of Land (Transvaal and Natal) Restriction Bill, imposing certain restrictions on the rights of Asiatics to carry on trade and acquire and occupy land in the Transvaal and Natal. The Bill provides for the extension for another three years (commencing from 1-5-1943) of the Transvaal Asiatic Land and Trading Act, 1939. It prohibits transactions between Indians and Europeans for acquisition or occupation of premises in Durban except under Government permit. No European is permitted to occupy premises unless the premises are considered to have been occupied by a European on 22-3-1943. Similarly, no Asiatic is permitted to occupy premises which were not occupied by an Asiatic on 22-3-1943. In both cases exceptions may be made under an authority permit issued by the Minister of the Interior. Also, the Governor-General may, by proclamation, declare that the restrictive provisions for ownership and occupation shall be extended in any area in Natal.

Indian's Protest. - In a memorandum submitted to Mr. Lawrence on 10-4-1943, the Natal Indian Association alleged that the Durban City Council had never allowed Indians to purchase land within the old Borough of the city, and that this was one of the reasons why the more wealthy Indians acquired property in the predominantly European areas. The delegation pointed out that 24,350 Indians were entitled to only 204 acres in the old Borough, whilst 70,710 Europeans were entitled to 5,312 acres. "A more arbitrary method of consigning a growing community to an unreasonably limited area cannot be conceived." Three more reasons, according to the delegation, actuated Indians to acquire properties: first, the deliberate sabotaging of the Lawrence Committee by the Durban City Council, which engendered the feeling that the Durban Council never at any time would make available sites for Indian acquisition; secondly, the abnormal conditions brought about by the war which had resulted in greater fluidity of money and greater ease with which Indians were able to obtain finance for purchasing property; and thirdly, the greater restrictions in the control of trade, industries and other businesses by Government brought about an accumulation of money which Indians, in common with other people, diverted to investment in properties.

In India, protest against the segregation measure has been raised from all quarters.

The Bill was passed by the South African Senate on 26-4-1943.

(The Statesman, dated 11,12,13 and 28-4-1943.).

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS

Training and Registration of Practitioners of Indigenous Medical Systems:  
Punjab Government setting up Board

The Punjab Government's decision to set up a board of indigenous medicine to organize the registration of practitioners and improve the system of training and education of future practitioners, was referred to by Mian Abdul Haye, Minister of Education, inaugurating on 1-4-1943 the Punjab Tibbi Conference which has been organised to support the indigenous system of medicine. He said Government had always appreciated the importance of the Ayurvedic and Unani systems of medicine and the need for their revival. It had been granting grants-in-aid of Rs. 10,000 per annum to various Ayurvedic and Unani teaching institutions in the province; and had been permitting local bodies in the province to employ hakims and vaids in their Unani and Ayurvedic dispensaries.

(The Statesman, dated 4-4-1943.).

Plea for Higher Salaries for Doctors;  
Resolution at 19th session of A.I. Medical ~~Association~~  
Conference.

At the 19th session of the All India Medical Conference held at Patna from 23 to 26-4-1943, Dr. A. Amaseur presiding, a resolution, among others, was adopted urging an increase in the pay and raising the status of medical men in the provincial medical and Health Services. Captain P.B. Mukherji, I.M.S., speaking on the subject pointed out that in many cases medical graduates and licentiates were given scanty regard by the employers, the result being a positive danger to the entire medical profession 'vis-a-vis' the public health of the country. He expressed the view that industrial and commercial concerns were more generous in fixing salary scales for their medical employees, but that scales in the Government medical services were more unsatisfactory.

(The Amrita Bazar Patrika, 28-4-1943.)

NutritionInquiry into the Dietary of Middle Class Gujaratis in Bombay City.

The results of an enquiry carried out by the Gujarati Research Society, Bombay, into the economic and nutritional conditions of Gujarati middle class families resident in the city of Bombay have been published in the January 1943 issue of the Journal of the Society. The objects of the survey were to obtain a picture of the income and expenditure of Gujarati middle class families in Bombay, to arrive at an evaluation of the diet of these families in terms of its nutritional qualities and its effects on health and physique, and, on the basis of the data collected, to indicate measures for improvement of economic conditions or reform of the dietary. The survey was financed by Sir Purshottamdas Thakurdas and the work was carried out by Dr. J.J. Shah and Dr. M.H. Patel, the former looking after the nutritional and medical aspects and the latter after the economic aspects of the investigation.

It is pointed out that the intake of milk is inadequate and to supplement this as a source of animal proteins, it is suggested that the use of cheese should be encouraged. There is deficiency of vitamin A in the diet which, it is recommended, should be made up, easily and cheaply, by the more frequent use of green leafy vegetables. There is a greater tendency towards obesity in the groups under investigation than among other strata of society, attributed partly to the sedentary habits of the persons, but mainly to the high intake of fats. The general conclusion that is drawn is that a balanced dietary on the principles outlined in the investigation and regular physical ~~exercises~~ exercise are very necessary if improvement is to be brought about in the present condition of health and physique of middle class families residing in Bombay city.

(The Bombay Chronicle, 6-4-1943.)+

ORGANISATION, CONGRESSES, ETC.Workers' Organisations

20th session of the All-India Trade Union Congress, Nagpur,  
1 and 2-5-1943

The 20th annual session of the All-India Trade Union Congress was held at Nagpur on 1 and 2-5-1943, Dr. Charuchandra Bannerjee presiding. Over 300 delegates attended the Conference.

Mr. N.M. Joshi, General Secretary, presented the report of the A.I.T.U.C. for 1942-43; this was adopted.

The Congress enunciated the following 14 demands:- (1) release of political prisoners; (2) dearness allowance to workers in proportion to the rise of the prices of foodstuffs and other commodities; (3) general reduction in the abnormal prices of food and clothing; (4) war bonus; (5) unemployment, war and sickness insurance; (6) maternity benefit; (7) one month's leave with pay; (8) security of service; (9) stoppage of all retrenchment; (10) civil liberties, freedom of speech, press and organisation; (11) recognition of trade unions; (12) sufficient protection during air raids; (13) proper compensation to the wounded and their families in case death is caused from injuries due to ~~accidents~~ ~~from war effects~~; and (14) transference of power to a national government.

(The Bombay Chronicle, 3-5-1943)

(A full report of the proceedings of the 20th session of the A.I.T.U.C. will be sent later.)

EDUCATIONNeed for Mass Education stressed at All-India National Educational Conference

In his presidential address at the All-India National Educational Conference held at Haradwar ~~mm~~ on 12-4-1943, Dr. Radhakumud Mookerji of the Lucknow University emphasised that national education should minister to the moral and material needs of the nation in consonance with its indigenous ideals and traditions.

He explained how national education must relate itself to the life and economic needs of the nation. India from the economic point of view was a country of 700,000 villages and only about 40 cities. It was a country of agriculturists who showed only 3 per cent. literacy with three annas daily income and were out of work for about half the year in the off-seasons of agriculture. The problem of national education in India, concluded Dr. Mookerji, was the problem of its mass literacy. There was no future for the country on the basis of 3 per cent. scientific literacy and three annas daily income per head. No nation could survive the struggle for existence except by mobilizing its entire manpower for that struggle.

(The Statesman, 14-4-1943.).

Literacy Statistics of India:  
1941 Decennial Census Report.

The following information about progress in literacy in India is taken from a Note on literacy by Mr. M.W.M. Yeatts, Census Commissioner, Government of India, published in Part 1, Vol. I, of the 1941 Census of India (Extracts from the Note ~~mm~~ are published in "Indian Information" dated 15-4-1943):

Progress in Literacy: 70 per cent. over 1931 figures.- The general tale is one of a pronounced increase in literacy amounting in the case of India as a whole to 70 per cent. over 1931 for the whole population. The male increase is 60 per cent. and the female 150. There was, of course, an enormous field for the improvement of female literacy.

Position in British Indian Provinces.- The Punjab returned the most remarkable figures, professing a 140 per cent. increase to a present literacy of 13. This covers a 110 per cent. increase for males and no less than 390 per cent. for females. The Census Commissioner, however, adds in reference to these figures; "One would prefer to wait for a definite sorting based on examination of the slips before further discussion of such phenomenal figures." In the United Provinces the literacy figure is still below that of other areas and all major provinces and only 8 per cent. for the whole population, but the decade increase was 80 per cent. all over, 70 for men and 170 for women. Even now, however, the percentage of literacy among women is only 2. Bombay leads the provinces as it did in 1931 and shows an increase of over 100 per cent. to produce a 30 per cent. literacy for males and 9 for females. Bengal follows with 16 per cent. all over, representing 25 for males and 7 for females.

Literacy in Travancore and Cochin.- These figures are left far behind by Travancore and Cochin which have been grouped together and have a literacy figure of 45 per cent., 56 for men and 34 for women. The latter figure is four times the highest for any province of British India. Even allowing for the smallness of area, Mr. Yeatts observed that

it is "a tribute to the people and to the administration and culture of that characteristic part of India". The Census Commissioner finds in the growth of literacy observed in 1941 the results of the steps taken between 1920 and 1930 to develop schools, recruit teachers and in general to strengthen the whole primary education side.

("Indian Information", 15-4-1943)..

Plea of Government of India Ministerial Staff for Increased Dearness Allowance.

At a joint meeting of the Imperial Secretariat Association, the Army and Air Headquarters' Association, the Civil Accounts Association, the Directorate General of Posts and Telegraphs Association, and the Attached and Subordinate Officers' Association held at New Delhi on 6-4-1943, a resolution was adopted urging the Government of India to grant further increase in the dearness allowance so as to avoid further deterioration in the general position and indebtedness ~~on the part~~ of its employees. The resolution urges the Government of India to grant 75 per cent. dearness allowance to those drawing ~~from Rs. 101 to Rs. 500~~ Rs. 100 or less, 50 per cent. to those drawing from Rs. 101 to Rs. 500, 20 per cent. to those drawing between Rs. 501 and Rs. 1,000 and 10 per cent. to those drawing between Rs. 1,001 and Rs. 1,250. Regret is expressed at the "failure of the Government to appreciate the extent of the hardship caused to its employees by the continuous rise in prices of all commodities, particularly foodstuffs, dairy-products, piecegoods, medicines, fuel, etc., the increase in most cases being 400 to 500 per cent. above pre-war rates.

(The Hindustan Times, 8-4-1943.)+

Higher Wages and other amenities for Tailors:  
Resolution adopted at Workers' Rally in Madras. +

At a workers' rally held at Madras on 11-4-1943, under the auspices of the Indian Federation of Labour, a resolution demanding among other things, a 50 per cent. increase in the wages of tailors working under military clothing contractors and better sanitary and other conditions in places of work was adopted. Mr. R.S. Nimbkar, Labour Welfare Adviser, Government of India, who was present at the meeting, pointed out that Government was following a liberal policy as regards labour. He also assured the tailoring workers that if their case was referred by the military authorities to the Government of India, he would support their demands.

(The Hindu, 12-4-1943.)+

Lucknow Municipal Sweepers:  
Dearness Allowance raised to 3 annas in the Rupee.

Following a short strike by about 1500 sweepers of the Lucknow Municipality, the authorities have reached on 17-4-1943 an agreement with the sweepers' leaders granting the sweepers 50 per cent. increase in dearness allowance, which raises the rate of dearness allowance from 2 annas to 3 annas in the rupee. In the case of private sweepers it has been decided to increase their charges by 50 per cent., the minimum charges being four annas per month. ~~There is a strike of sweepers in Lucknow.~~

((The Hindustan Times,  
20-4-1943.))



Wages-Demand for Increased Salary Scales:  
U.P. Secretariat Staff Association's Resolution.

In the first week of April, 1943, the U.P. Civil Secretariat Staff Association adopted a resolution requesting the U.P. Government to restore the old scales of pay and grant adequate dearness allowances to those drawing up to Rs. 240 a month, with immediate effect. The resolution says that factors which in 1931 necessitated the reduction in the scales of pay of the upper and lower divisions of the secretariat services have now disappeared and therefore this measure becomes imperative. (By the 1931 cut, the upper and lower division salary scales of Rs. 150-Rs. 360 and Rs. 75-Rs. 150 were reduced to Rs. 100-Rs. 240 and Rs. 50-Rs. 100 respectively.) The Secretariat Association's representation further points out that the Government have already revised the scales of pay of some superior services, such as the provincial executive, judicial and ~~police~~ police services, and adds: "It would be calamitous if the same considerations are not applied in the case of the low paid secretariat services".

(The Statesman, 10-4-1943.) +

Plea for Higher Dearness Allowance of Bengal Provincial  
Labour Conference, 1943.

At the ~~2nd~~ 1943 session of the Bengal Provincial Labour Conference (organised by the Indian Federation of Labour), held at Calcutta on 25-4-1943, Mr. A.K. Mukherjee presiding, resolutions were adopted condemning the attitude of the employers of Bengal towards the workers "in refusing their legitimate demands for increase in wages and supply of foodstuffs", and demanding uniform grant of dearness and other allowances and also profit-sharing bonus. It also appealed to the authorities to improve civil defence measures in the industrial centres of Bengal.

(The Hindustan Times, 27-4-1943.) +

Labour Welfare in War Time:  
Review of Action taken by Government of India.

A note entitled "Labour Welfare in War Time" published in Indian Information dated 15-3-1943 (Vol. 12, No. 3) reviews the more important measures initiated by the Government of India for ensurance of labour welfare since the outbreak of the present war. The main points brought out in the note are briefly noticed below:-

Central Government - A Co-ordinating authority.- Labour is mainly a provincial subject in India and the Government of India have, therefore, hitherto been responsible mainly for securing uniformity in labour legislation and adherence to such of the International Labour Conventions as are practicable for India. Legislation at the Centre, though comprehensive, has in the past been confined more to conditions of service and industrial relations than to such matters as wages and welfare.

War Changes - Government's Concern for Fair Conditions of Work.- The war has necessitated some curtailment of labour's rights to ensure continuance of production, but in the very process of effecting this necessary curtailment it has been possible to give labour certain very considerable advantages. Thus under the Essential Services Maintenance Ordinance workers are required to stick to their jobs. This Ordinance simultaneously provides powers to secure for the men in essential industries certain fair terms of employment. So also in making provision to ensure the best use of technical personnel, statutory provisions have also ensured that the conditions of service of such men are fair. Again, while strikes without notice have been made illegal, adequate provision has been made for adjudication and power has been secured to enforce the results of such adjudication. Till March 1943, adjudications have actually been enforced in no fewer than 25 cases of industrial disputes. The recognition in Indian labour legislation of the right of the workers to fair wages and fair conditions of service and the provision for compulsory arbitration and enforcement of an arbitrator's award in an industrial dispute involve two new basic principles which, having found a place in the labour code under the exigencies of the present situation, are not likely to be dislodged hereafter.

Training Schemes - "Bevin Boys" and 70,000 Skilled Technicians.- Other matters in which war-time developments are likely to have a lasting effect are the training schemes of the Labour Department and the Bevin Scheme for sending skilled workers to England for further training. The Bevin Boys whose training in England has given Indian labour an insight into English working class conditions and organisations, have themselves benefitted by the training to such an extent that on their return to India they are able to earn on an average two and a half times their former salaries. The scheme for training raw hands in India will have turned out 70,000 skilled workers by June 1943 and must have ~~xxxxx~~ even greater results as this large increase in India's skilled labour force must be of great value during the post-war industrial revival.

Labour Welfare Organisation.- In pursuance of the Government's resolve to actively interest itself in the matter of labour welfare, Mr. R.S. Nimbkar was appointed in 1942 as Labour Welfare Adviser to the Government of India. In addition, 8 Labour Welfare Officers also have been appointed. These men, after a short period of training in Delhi in the Labour Department, have been posted to various areas where their task is to maintain contacts on behalf of the Central Government with labour. On the one hand, they are expected to keep the Central Government apprised of labour conditions and feeling in different parts of India and, on the other, they have to explain to workers the policy of

the Central Government in labour matters. It is expected that Mr. Nimbkar and his Assistants will help in another matter of considerable importance to labour. This is the organisation of Air Raid Precautions in factories.

War Time Relief Measures.- In attending to the welfare of labour the Government of India have helped to open cost price grain shops for workers and have agreed to bear any loss ~~now~~ incurred in running these shops. The Government have provided dearness allowances for their own low-paid employees and workers in factories run by Government departments and have thus encouraged private employers to do the same. In fixing the amounts of these dearness allowances, the principle accepted by Government has been a flat rate dearness allowance rather than a percentage rate, as a flat rate ordinarily gives the lower-paid worker relief to a greater extent than a percentage rate.

Tripartite Collaboration - Tripartite Conference and Standing Committee.- Another important aspect of the Government's labour policy in war time has been the effort to secure collaboration between employers, employees and the State in all matters affecting labour and labour conditions. The first Tripartite Conference, attended by representative of workers and employers and of the Central, Provincial and State Governments, was held in New Delhi in August 1942, and the Standing Labour Committee created on the recommendation of that conference met last November. It is hoped that the institution of this conference and Standing Committee will lead in time to a well-developed labour policy throughout the country.

( "Indian Information", 15-3-1943).+

Cotton Textile Position:  
Control of Exports, Stepping up Production and Manufacture of Standard  
Cloth: statement by Commerce Secretary in Council of State.

During the last session of the Central Legislature, the Hon'ble Mr. N.R. Pillai, Secretary, Commerce Department, Government of India, speaking in February 1943, in the Council of State on a resolution tabled by Mr. Hossain Imam recommending the setting up of a committee to examine the distribution and control of prices of the necessities of life, dealt, ~~with~~ inter alia, with the steps taken by the Government of India to control the price of textile goods and for the manufacture of standard cloth to meet the cloth requirements of the poorer classes. The main points of the speech are briefly noticed below:

~~Higher Prices - Increased Cost of Production, the main cause.~~

Cotton Piece-goods Prices.- The most important of the non-food items is cotton piece-goods. Prices of cloth have, in common with those of other commodities, shown an upward trend since the outbreak of war, and have risen very steeply during the last six or seven months and they are now nearly three times as high as they were in April 1941. Occasionally checks and setbacks have taken place, but, broadly speaking, it is correct to say that the ~~uprush~~ surge of prices has not been arrested, and Government are fully aware that considerable suffering and hardship has been caused to the public, particularly to the poorer sections of the public.

Higher Prices - Increased Cost of Production, the main cause.- The disturbing price movement is not wholly attributable, as some people suggest, to profiteering. It is the result of a large number of factors, chief of them being the heavy increases that have taken place in the prices or charges for all those elements which go to make up the cost of production. Between April 1941 and now the index number of raw cotton has gone up by about 70 per cent., wages and fuel by 60 per cent., and mill stores by 175 per cent. Allowing for all that, it must be admitted that the increase in the price of cloth has been more than in proportion to the increase in the cost of production, and the reason for this must be sought in the physical shortage of goods in relation to current demand. It has been Government's endeavour to rectify this disequilibrium, and they have proceeded along lines which, though not spectacular, are at any rate in the short run likely to be more effective.

Control Measures.- Whatever form of control is undertaken, one of the first things to do is to try and increase the quantity ~~xxxx~~ available for civilian consumption. This involves, first, the stepping up of production; second, reducing the demand for cloth required for purposes other than civilian consumption; and, third, adoption of measures to prevent hoarding and speculation.

Increased Production.- In regard to the first point, procurement and shipping difficulties make it impossible to contemplate an extension of the existing plant and machinery in India, and the same factors impose a serious limitation on the quantity of essential mill stores which must necessarily be obtained from abroad. Nevertheless, within the limits imposed by these factors, it is possible, by standardisation of designs and types and by the adoption of a variety of methods to increase to a substantial extent the productive capacity of Indian mills. Government have the whole question under their most anxious consideration.

Reduction of Exports and Supply Department's Offtake.- The whole question of reducing the demand for cloth for purposes other than

civilian consumption, that is to say, Supply Department's offtake and exports, has been carefully examined. The Supply Department's requirements have been subjected to the severest scrutiny and pruning and it is expected that purchases to be made by Government this year will be on a very much lower scale than in 1942. Concurrently, the volume of exports has been ruthlessly scaled down. It has not been possible to eliminate exports altogether. India, as part of her war effort and on humanitarian grounds has to satisfy, in part, the essential minimum requirements of a wide belt of countries extending from West Africa in the West to Australia in the East. These countries, to the extent that they are not in a position to satisfy their requirements either from their own resources or from imports from the United Kingdom, are wholly dependent on India; and to deny them the essential supplies which they need would reduce them to conditions of indescribable hardship and misery and incapacitate them for sustained effort in the cause of the United Nations. Such export, apart from being a moral ~~obligation~~ obligation, is sound business also. One of India's commercial objectives, and also one of the cherished ambitions of the industry itself, has been to develop external markets for piece-goods, because only so could the foundation be laid of a healthy textile industry not wholly absorbed in the contemplation of the possibilities of a large but protected domestic market. The war gave India that opportunity, and India must seize it. All the same, a very drastic reduction has been made in the quota of exports, and the percentage of the reduction is in the neighbourhood of 55 per cent.

Prevention of Hoarding and speculation.- This is a field where the application of effective measures is a matter of extreme difficulty. But arrangements are in train which, when put into effect, will go a long way towards removing these anti-social evils.

Standard Cloth scheme.- The most notable contribution of Government to the solution of the cloth position, is the introduction of the standard cloth scheme. The production of standard cloth is now an accomplished fact. The Government of India have never relaxed in their efforts to get the scheme going, and the inertia displayed by certain people was probably due to the fact that it was not until six months ago that the cloth problem became really acute. In November 1942, the Government of India knew what was coming; and although it had not received the acquiescence of all the parties concerned, it proceeded to place orders for about 16 million yards of standard cloth straightaway. Of this, 150,000 of yards have been delivered and supplied to Assam; a further quantity of 15 million yards will be on sale in different parts of India by the middle of March 1943. The bulk of this quantity has either been despatched to the various destinations or is ready to be despatched. But this arrangement, which was purely tentative, has now been superseded by a more permanent scheme, agreement to which was secured at the discussions held in Bombay on January 31, 1943. ~~And~~ The scheme would not have seen the light of day but for the helpful accommodation and co-operative attitude of all sections of the textile industry, which have all of them subordinated the profit motive to the motive of public service.

Price of Standard Cloth : 40 per cent. below current prices.- The central feature of the scheme is that the industry is pledged to reserve 60 per cent. of its productive capacity for the manufacture of goods ordered by the Supply Department or of standard cloth. This means, in effect, that as large a quantity as 1,500 million yards - perhaps more - of standard cloth will be available in time, for distribution. Prices will be fixed by Government, and they are expected to be not less than 40 per cent. below the current level of prices.

prices today were about four times as high as they were before the ~~sub~~ outbreak of war; that is to say, if 100 were taken as the index number for August, 1939, the index number today is about 400. Now, this 40 per cent. reduction is to be calculated on the figure of 400, not on 100; that is to say, if a person now has to pay Rs. 400, he will only have to pay Rs. 240 for the standard cloth produced under the scheme.

("Indian Information ", 1-4-1943.)+

#### standard Cloth: Arrangements for Price Fixing and Distribution.

The following additional information about the Standard Cloth Scheme is taken from a speech on the subject made by Mr. T.S. Pillai, Joint Secretary, Commerce Department, in the Central Legislative Assembly on 22-2-1943:-

After reviewing the action taken by the Government of India to bring into effect the standard cloth scheme, from its inception in September 1941 when the ~~then~~ then Commerce Member, Sir Ramaswami Mudaliar, propounded the scheme at the Cotton Textile Conference held in Bombay, up to the present. Mr. Pillay proceeded to describe the procedure for the fixing of the price and distribution of standard cloth.

Fixing of Prices.- At the Conference of cotton textile representatives held at Bombay on 30-1-1943, the industry agreed that it would devote as much as 60 per cent. of its productive capacity, if necessary, to manufacture cloth to the order of the Supply Department of the Commerce Department for standard cloth. Regarding price, it was agreed that it should be fixed quarterly by the Central Government on the advice of the representatives of the industry and the price fixed will only take into account certain features which go to increase the cost of production. This applies both to the price of standard cloth and the price of cloth supplied to the Supply Department for war purposes. The Central Government has also taken steps to ensure that on the plea of standard cloth, cheap cloth of inferior quality is not passed on. There is a Specifications Committee at which the experts of the industries and also experts of Governments are associated, and the specifications are so framed as to make the cloth durable, if not very attractive.

Distribution Arrangements.- The Central Government have also taken the entire responsibility to purchase the cloth from the mills for which they place orders and then to make allocation of these to the Provincial Governments who are willing to participate in the scheme. It has also been arranged that the distribution arrangements should be made up in various places in such a manner as to satisfy the ~~center~~ Central Government that the cloth actually reached the consumer at the prices scheduled. The Government has appointed a Standard Cloth Commissioner who has taken charge of his duties at Bombay. He is arranging for the manufacture of about 50 million yards of cloth which Government hope to allocate to various Provinces in the course of a month or two.

("Indian Information", 1-4-1943).+

Increase in Production of Standard Cloth for Civilian  
Consumption: Decision of Standard Cloth Panel.

At a meeting of the Standard Cloth Panel, held in Bombay on 9-4-1943, it was agreed that the production and marketing of standard cloth on the basis of the scheme which has been adopted should be brought into full operation. The present high prices of cotton yarn and piece-goods were also reviewed. It was the unanimous opinion of the industry that, in order to mitigate the hardship of the needy public, the following measures, amongst others, should be taken immediately so that prices might be brought down substantially.

- (a) that with the help of Government the production of mills should be increased considerably; and
- (b) that the holding in stock of cloth and yarn by mills and/or dealers for more than a very limited period should be made illegal.

It is anticipated that the quantity of cloth available for civilian consumption in 1943 will be at least double the amount available in 1942. This, coupled with the measures outlined above, may be expected to afford considerable relief and bring down prices to a more equitable level.

(Industrial Bulletin dated 19-4-1943  
issued by Employers' Federation of India,  
Bombay.) +

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Control Measures

The United Provinces Oilseeds (Futures and Options Prohibition) Order, 1943.

The United Provinces Government has, under the Defence of India Rules, promulgated on 20-4-1943, the United Provinces Oilseeds (Futures and Options Prohibition) Order, 1943, under which no person is to enter into any futures or options in oilseeds after 21-4-1943. Undertakings already entered into are to be settled at rates current on 19-4-1943. The oilseeds covered are mustard and ~~xx~~ rapeseed.

(The U.P. Gazette Extraordinary dated 20-4-1943.).

The Sulphate of ~~xxxx~~ Alumina Control Order, 1943

The Government of India has under the Defence of India Rules issued, on 19-4-1943, the Sulphate of Alumina Control Order, 1943, providing for the registration and licensing of traders and consumers of sulphate of alumina. All persons carrying on any transaction in the substance are required to submit monthly returns of stock to the licensing authority.

(The Gazette of India Extraordinary dated 19-4-1943, page 319.).

The Bobbins Control Order, 1943.

The Government of India has, under the Defence of India Rules, issued, on 17-4-1943, the Bobbins Control Order, 1943, under which no transaction in the following articles used by the textile industry—other than the jute and Hemp sections of the industry, is to be effected except in accordance with the directions of the Deputy Director General, Cotton Textiles, Bombay. The articles controlled are: (a) Slubbing tubes, (b) Roving tubes, (3) Ring Rabbeth, (d) Ring Weft Pirns (including Universal and Wadia Pirns), (e) Ring doubler bobbins, (f) Warper bobbins, and (g) Paper tubes and cones.

(The Gazette of India Extraordinary, dated 19-4-1943, page 320.).

The Bengal Food and Fuel Retail Trade Returns Order, 1943

The Bengal Government has, under the Defence of India Rules, issued on 16-4-1943, the Bengal Food and Fuel ~~xxx~~ Retail Trade Returns Order, 1943, under which the retail traders in foodstuffs and fuel are required to furnish all information concerning their purchases, stocks and annual turnover when demanded by Government. The Order is confined in the first instance to the "Calcutta region" only.

(The Calcutta Gazette Extraordinary, dated 19-4-1943.).



Rent Control in Lahore

The District Magistrate of Lahore has, under the Defence of India Rules, issued, on 3-4-1943, an order directing landlords in the area administered by the city of Lahore corporation, ~~not~~ to charge rent at a rate higher than that which is payable under the provisions of the Rent Restriction Act of 1941. No tenant may be evicted so long as he is ready to pay rent according to the terms of his tenancy nor is accommodation to be refused to a tenant unless the same is required for the personal use of the Landlord.

(The National Call, 4-4-1943.).

The Bihar Control of Country-boat Traffic Order, 1943.

The Government of Bihar has, under the Defence of India Rules, issued, on 20-4-1943, the Bihar Control of Country-boat Traffic Order, 1943, under which all owners of heavy country boats (capable of carrying 10 maunds or more - 1 maund=82 lbs.) are required to have their boats registered by the Registering Officer. With effect from the date on which the Order comes into force, such country boats are not to carry food grains through any part of the Province unless permitted by Government.

(The Bihar Gazette Extraordinary  
dated 21-4-1943.).

Comprehensive Food Plan for India:  
General Wood's Broadcast;  
Regional Food Commissioners Appointed. +

Details of a comprehensive food plan for the whole of India, now under consideration of the Government of India, were dealt with by Major General Wood, Additional Secretary, Department of Food, Government of India, in a broadcast talk from Delhi on 16-4-1943. The main points brought out in the talk are briefly noticed below:-

Distribution of Responsibility; Provinces and States to Co-operate with Centre.- Explaining the plans to feed India for the next 12 months, General Wood said that the first point was the basic distribution of responsibility. The Food Department would procure surplus food grains and distribute them between the deficit provinces and States. The provinces and States would act as agents of the Central Government to procure surpluses and the deficit areas would make a proper and equitable distribution. Also to ensure that the surpluses were sold at prices related to what had been paid for them and that the goods did not go into black markets or hoarding, it was essential that the Government owned the goods.

Purchase Scheme; Ensurance of Fair Prices for Cultivators.- This means a very extensive programme of buying ~~gm~~ food grains to the value of something over Rs. 1000 ~~crores~~ in the next 12 months. The financing will be by the Central Government and in the course of its operations, the Central Government will see to it, by normal commercial methods and not by any system of controls, that prices are fair, both for the consumer and for the producer. As for the producer, Government will guarantee him a fair price for his production and Government will see to it that for the duration of the war and one year thereafter prices are not allowed to ~~x~~ fall below that level.

Reserves for Maintaining Balance; Ordinary Trade Channels to be Used.- A division of supplies for 12 months ahead has been decided. The machinery required for this purchasing and movement activity is being completed in every place in India. It is Government's policy to use trade methods, trade machinery and the channels of trade to the maximum extent. Continuing General Wood explained that the Government was not merely going to buy food grains to move them from one place where there was too much to another where there was too little. "An equally important purpose is that the aggregate of all stocks at any time in Government's hands will be a weapon to be used to establish and maintain an equilibrium of supplies and prices all over the country." He also explained that the Government was not feeding any particular place or area. The feeding would substantially be done from the domestic resources of the area and ~~that~~ the Central Government's job was to give them the balance that permitted their accounts to be squared. It was required that a deficiency area would make the fullest use of its domestic resources before it was justified in expecting help from the Central Government.

No Undue Supplies for the Army.- Referring to the charge that the so-called shortage in India was due to the enormous requirements of the defence forces, General Wood said that the Army requirements of rice amounted to one part out of 265 of the rice production of this country, and that the same figures for wheat were one part out of 40. Another charge was that the Army kept high reserves, totalling even one or two years' requirements. What the Army had was more easily counted in terms of weeks rather than months.

Six Regional Food Commissioners Appointed.- Following the Government decision announced in March 1943 (vide page 49 of our March report), six Regional Food Commissioners have been appointed to the six areas into which India has been divided under the new scheme.

(The Times of India dated 17-4-1943)

The Bengal Food and Fuel Distribution Inquiries Order, 1943

\* The Government of Bengal has, under the Defence of India Rules, issued on 16-4-1943 the Bengal Food and Fuel Distribution Inquiries Order, 1943, under which heads of families and messing groups (not including residential and catering establishments) are required to furnish accurate information to the Inquiry Officer as to the food and fuel requirements of their houses or messes. The order is confined to the "Calcutta region" only in the first instance.

(The Calcutta Gazette Extraordinary dated 19-4-1943.)

supply of Grains and Cooked Food to Workers

An Unofficial Note dated 25-4-1943 issued by the Principal Information Officer, Government of India, deals with the measures adopted by employers in the various Provinces in response to the Government's suggestion for opening cheap grain shops and supplying ~~cooked food to workers during periods of emergency~~ (vide page 25 of our October 1942 report). The Note points out that considerable progress is reported from the Provinces with regard to various measures recommended by the Government and that employers in general are showing interest in making adequate provisions for their employees in respect of foodstuffs and other essentials of life. A number of cheap grain shops have been opened in Madras, Bengal, Bihar, C.P. and Berar, Sind, Bombay, Punjab and the United Provinces. More such shops are being opened either by the employers or by the workers' co-operative societies. In almost all the important industrial provinces necessary storage arrangements have been made by the employers for the supply of foodstuffs to their employees in an emergency. In the United Provinces employers are being encouraged to start co-operative shops and store reserves of food grains with the assistance either of the Employers' Association of Northern India or of the Registrar of Co-operative Societies. In Madras, Bengal and Sind arrangements have been made to supply cooked food to workers in an emergency. A number of employers are running canteens where meals are provided for workers at cheap rates. Workers of a textile mill in Madras can have tea at the rate of annas four per 30 cups..

Madras Government's Foodstuffs Supply Scheme:  
Co-operative Societies to be Supply Agencies..

The Government of Madras has sanctioned a scheme for the distribution of foodstuffs to a part of the population in 34 fairly big towns in the Presidency through the agency of co-operative societies. If the scheme proves successful, it will be extended to a few more towns. The commodities that will be brought under the scheme are: rice, millets, redgram, tamarind, salt, chillies, oils (gingelly, groundnut and coconut oil), jaggery, and sugar.

The object of the scheme is to build up two months' stocks of important commodities in wholesale stores and up to one month's

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stock in the retail primary stores which will enable them to serve an increased number of consumers, both members and non-members. According to the scheme, the agency for distribution of commodities will be the primary stores which will ~~enable~~ obtain the stocks required from the wholesale stores. It is estimated that the cost of the articles required to be stocked under the scheme for three months in the 34 towns will roughly amount to Rs. 3.2 millions and the Government has guaranteed the repayment of the loans advanced in connexion with the special stocks to be held under the scheme, to the co-operative wholesale stores, by the District Co-operative Central Banks from their own funds or from borrowings from the Provincial Co-operative Bank.

(Press Communique dated 6-4-1943, issued by the Development Department, Government of Madras.) -

International Post-War Food Conference in U.S.A. in April 1943:  
Government of India to participate.

The Government of India, says a Press Note issued by the Government of India, have been invited, through their Agent-General in Washington to send a small number of technical and expert representatives to a conference to be convened in the United States of America by the Government of the United States about the end of April 1943 for an exchange of views and information and for an exploratory examination of post-war problems connected with food-stuffs and other essential agricultural products, including problems of nutrition. The final terms of reference of the conference are not yet available. ~~Decisions on policy and the concluding of international trade agreements~~, it is understood, will not be within the scope of the conference. The Government of India have accepted the invitation, and deputed as their representative to the conference Mr. P.M. Kharegat, Vice-Chairman of the Imperial Council of Agricultural Research, and Dr. W.R. Aykroyd, Director of Nutrition Research. In America they will be joined by the Agent-General, Sir Girja Shankar Bajpai, who will be the leader of the Government of India delegation, and by Mr. H.S. Malik, India's Trade Commissioner in the U.S.A.

(Industrial Bulletin dated 19-4-1943 issued by Employers' Federation of India, Bombay.) -

The Tata Iron and Steel Company's Scheme for Supply of Essential Foodstuffs to Employees. -

The Tata Iron and Steel Company, Jamshedpur, decided on 24-2-1943 to introduce a scheme whereby rice, wheat, atta (wheat flour), dal (pulses), sugar and gur (country sugar) will be made available to each employee, subject to the following maximum quantities per week:-

- |   |          |
|---|----------|
| (a) Rice (3 qualities-Coarse, Medium and Fine) and/or Wheat |          |
| and/or Atta...  | 10 seers |
| (b) Dal ...   | 1 seer   |
| (c) Sugar or <u>gur</u> ...                                 | 1 seer   |

1 seer = 2 lbs.

The weekly-paid employees will be supplied rations once a week for a unit period of one week, and the monthly-paid employees, once a fortnight for a unit period of two weeks. There will be 16 shops or stores located in various parts of the town for the sale of provisions and each employee will be allocated to a particular shop conveniently close to his residence, and days will be fixed on which he can obtain his provisions at the particular shop, so as to avoid,

unnecessary crowding at the shops. Provisions will be supplied only on production of food coupons at the shops. The value of the coupons issued to an employee will be deducted from the wages due to him for the period of validity of the coupons. Special permission has been obtained from Government to make such deductions in the case of those who come under the payment of Wages Act, 1936. No coupons will be issued against actual cash. Supplies will be made available at prices prevailing on 1-10-1942, which is the date on which the last cash increase in the scales of dearness allowance was sanctioned. The difference between the lower October prices and the higher current prices will be borne by the Company.

The War Dearness Allowance will be frozen at the existing rates and irrespective of all future price increases, rice, wheat, atta, dal, sugar and gur will continue to be supplied to the employees at the October rates, subject to supplies being available. Employees who wish to take advantage of the Food Supply Scheme should signify their willingness in writing through the Heads of their Departments to purchase the articles from the Company's shops and also give written authority for the deduction of the prices of such articles from their wages. In view of the concession that it has decided to make in respect of supplies of certain essential foodstuffs, the Company has decided to increase the Works Hotel prices which up till now have been kept at the pre-war level, in spite of steep increases in the cost of food grains, edible oil, etc. Care has been taken to see that the revised prices are substantially below the prices prevailing at various eating houses in Jamshedpur.

The Scheme for the supply of foodstuffs at the various grain shops, the scales of dearness allowance and the Works Hotel prices will be reviewed and, if necessary, revised by the Company, if the prices of rice, wheat, atta, dal, sugar and gur, considered in conjunction with the cost of living index figure, as published by the Government of Bihar, drop to an extent which is considered sufficient by the Company to warrant such action.

The scheme came into operation on 9-3-1943.

(The Tisco Review, March, 1943.) -

#### Rationing in Bombay City to be introduced on 2-5-1943

Reference was made at pages 48-49 of our March, 1943, report to a scheme of food rationing to be introduced in Bombay City. At a Press Conference on 21-4-1943, Mr. Gorwala, Commissioner, Civil Supplies, Government of Bombay, announced that the scheme will come into operation on 2-5-1943 in the city. He added that the recent arrival of 18,000 tons of Australian wheat has enabled the Government to double the amount of wheat which it was expected could be distributed to each person under rationing. The rationing will apply for the present to wheat, rice, jowari and ajri and 60 flour and similar products made from them. ~~XXXXXXXXXXXX~~

(The Bombay Chronicle, 22-4-1943.) +

Post-War Reconstruction Committee: Changes in Structure:  
Six Policy Committees and a Permanent Secretariat.

Reference was made at pages 35 to 37 of the report of this Office for January 1941 to the setting up by the Government of India of a Reconstruction Committee and four Sub-Committees: the first on labour and demobilisation with the Defence Secretary as chairman; the second on disposals and contracts with the Secretary, Supply Department, as chairman; the third on public works and Government purchases with the Labour Secretary as chairman; and the fourth on trade, international trade policy and agricultural developments with the Commerce Secretary as chairman.

On 15-4-1943, Sir ~~Jawahar~~ Jwala Prasad Srivastava (Civil Defence Member, Government of India) gave at a press conference details of certain changes which had been introduced in the structure of the Post-War Reconstruction Committee and its sub-committees; the main points brought out are summarised below:

Executive Council Committee to initiate, control and co-ordinate Policy.- At the top of the organisation will be a committee of the Viceroy's Executive Council consisting of the Viceroy (President), Sir J.P. Srivastava (Deputy President), the Commander-in-Chief or his representatives and the Members for Defence, Labour, Supply, Commerce, War Transport and Finance. The committee will deal with all matters of policy, will exercise initiative, co-ordinate and eventually sanction plans. Sir Jwala Prasad said that the committee has every intention of reaching definite conclusions and, speaking for himself and his colleagues said: "If we are still at the helm when the time comes we shall see to it that all practicable plans are put into execution." A permanent secretariat (not a Government department) is being provided for the committee by combining its office and that of the War Resources Committee, and its secretary will be Gen. Hutton. Sir Theodore Gregory will be economic adviser to the committee and its ex-officio secretary.

Six Policy Committees.- To assist the Committees of the Council six policy committees have been formed as follows: Demobilization and Labour Committee; Disposals, Contracts and Government Purchases Committee; Public Works and Communications Committee; Internal and International Trade Policy Committee; Agricultural Policy Committee; and Consultative Committee of Economists. These committees will include members from provincial Governments, States, trade and industry. Each of these policy committees will be presided over by the Member of the Council primarily concerned. Later on it will be necessary to set up other policy committees to deal with questions such as finance for which material is not yet available. The Committee of the Executive Council is likely to meet in a fortnight to consider selection of non-official personnel for the policy committees and decide when to start their meetings.

Six Official Sub-Committees.- The six policy committees will be assisted by official sub-committees each under the chairmanship of the Secretary of the Government of India Department primarily concerned who will prepare data for the policy committees, co-ordinate departmental work and carry out approved policy. These sub-committees will collect data and, if possible, place concrete proposals before the policy committees. Sir J.P. Srivastava stated that he ~~was~~ was still studying the various phases of his work and that he could not indicate at present how long it would take to collect data and to frame policies and plans.

Expansion of Industry foreshadowed.- Sir Jwala Prasad emphasized that the essential conditions of success were an efficient governmental machinery, sound finance, co-operation of provincial and State Governments and co-operation of the people at large as well as leaders of industry. All must help to control inflation by savings and curtailment of expenditure. He stated that steps are in hand to investigate very fully the requirements of industry in capital goods, conversion of war industries to peace production and the expansion of industry generally. He added that more important perhaps than these is the organization of marketing, especially overseas. This will require action both by the Government and trade organizations.

Short-range term and Long-term Objectives.- The work of reconstruction, it was explained by General Hutton, falls into two categories, problems that will be an immediate and unavoidable result of the end of the war, such as demobilization and disposal of stores, etc., and those which are of a long-term nature and deal with development and improvement of conditions, generally. A good deal of preparatory work has already been done about re-settlement of soldiers and the problem of resettling labour employed in war work was recognized as one of equal urgency. Asked whether he could give a categorical assurance that the final plans for reconstruction could be judged by the test that they provide for social security, Sir J.P. Srivastava answered: "Most certainly".

(The Statesman, 16-4-1943 and the  
Hindustan Times, 16-4-1943.)+

#### Need for Planning Ahead:

#### Mr. N.R. Sarker's Address at the 2nd Session of All-Bengal Economic Conference.

The 2nd session of the All-Bengal Economic Conference was held at Calcutta from 11 to 14-4-1943, Mr. G.L. Mehta presiding.

Mr. Sarker's Address: Post-War Reconstruction.- Declaring the Conference open, Mr. N.R. Sarker, ex-Member of the Viceroy's Executive Council, ~~formally opening the Conference~~ declared that the main task of evolving a satisfactory programme of post-war reconstruction in India should be entrusted to a small competent body of experts, led preferably by an eminent industrialist, who should get into contact with industrial interests and prepare concrete plans in collaboration with commercial interests and assisted by the Government. "It appears to me" he added, "that under the present system of Government, plans for post-war reconstruction evolved by the Government or under their auspices alone are not likely to prove very fruitful. Government assistance we must have. But it must be in the nature of assistance only. Any international plan which would merely seek to maintain or improve the standard of living of advanced countries by perpetuating very low standards of life in countries like India and China was bound to fail."

"Beveridge Plan" for India.- Referring to the Beveridge plan, Mr. Sarker said: "A Beveridge plan for India would be unthinkable till our productive activity has risen to the requisite level. We have to begin our work of reconstruction right from the start and work our way up to a higher standard of living from an incredibly low level. Barring China there is hardly any other important country in the world which is steeped in such poverty as ours. India should be left free to grapple with the vast problem which has been inexorably pressing for solution."

~~1944~~ ~~1944~~ Government - a vital need.- Expressing the view that an over-riding factor in considering any scheme of post-war reconstruction should be the elimination of economic fear between nations, Mr. Sarker said that to deny backward countries like India and China the freedom to mould their future destiny would not only run counter to the spirit of the Atlantic Charter and the aims for which the present war was being fought, but would involve us again in iniquities and inequalities and which would be a perpetual threat to world peace.

Mr. Mehta's Presidential Address: Expansion and Protection of Industries.- Mr. G.L. Mehta, in his presidential address, emphasised the need for comprehensive and accurate survey of India's industrial expansion during the war. It was essential to ensure that industries started during the war were not left high and dry as after the last war, but received an adequate measure of State support, particularly because they would in all probability have to face the impact of competition from outside and possibly a period of depression. The food problem before the country was not merely one of purchase or production, but of efficient distribution. All-India control was essential. Only a Government which derived its strength and power from the people and which was in intimate contact with the masses could take action against ~~recalcitrant~~ recalcitrant and anti-social forces. Mr. Mehta also emphasised the need for constructive utilisation now of sterling balances and of providing adequate safeguards for India's assets.

(The Hindu, 12-4-1943.)

New India Planning Groups:  
100 already started.

To stimulate interest in and help the study of post-war economic and social problems, a number of unofficial groups, called the New India Planning Groups, have recently been set up in India. Interpellated in the Central Legislative Assembly on the nature, scope of work and objects of the Groups, Sir Sultan Ahmed, Leader of the House, gave the following information on 31-3-1943:

The New India Planning Groups are autonomous bodies which framed their own rules, selected their own subjects for discussion and were entirely non-official in character. About 100 of these Groups have already been formed. The central organisation of the new India planning groups was responsible for suggesting subjects for discussion, though the ~~new~~ groups might or might not accept these subjects, and for putting out facts and figures to assist these groups in their discussions. The central organisation was wholly precluded from expressing opinion or in any way seeking to influence the opinions of the groups.

(The Leader, 3-4-1943.)

A number of pamphlets on current economic and social problems, and post-war adjustments, are being issued to provide subjects for study by these groups. The titles of two pamphlets already issued are: (1) Freedom from Want, and (2) Is Industrialisation Desirable? (Requisition has been made for copies of these pamphlets, and when received they will be forwarded to Montreal.)



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New Department of Industries and Civil Supplies Created

A communiqué issued by the Government of India on 14-4-1943, announced the Viceroy's decision to create a new Department of Industries and Civil Supplies, with Mr. M.S.A. Hydari as Secretary. Explaining the object of the department, the communiqué says: Since the outbreak of the war, under the stimulus of the vast demands to meet Defence Service requirements, and of the difficulties in importing from overseas, Indian industry has shown remarkable development. When, however, war demands disappear, and overseas trade becomes normal, these new and expanded industries will come up against a variety of difficulties, and it is of the greatest importance that all possible guidance should be given to Indian industry so that when Peace returns, the momentum that has now been received by industry may not be lost, and industrial development continue over an ever widening field. Allied to this vital question, there are also numerous problems relating to civil supplies (other than the supply of foodstuffs), satisfactory solution of which requires continuous and careful attention; these are of great importance not merely so long as the war lasts but also thereafter. The importance of the work that the new Department has in itself and in relation to reconstruction and future industrial development and civil supplies needs no emphasis.

The department which began functioning on 22-4-1943, deals with the following heads of business:- Statistics and Research: (a) industrial statistics; (b) inventions and designs; (c) Federal agencies and institutes for industrial research, Council of Scientific and Industrial Research, Board of Scientific and Industrial Research, Industrial Research Utilisation Committee and Directorate of Scientific and Industrial Research. Development: (a) development of industries generally; (b) development of industries (Federal aspect); (c) protection to industries other than tariff protection; (d) industrial exhibitions in India. Controls: (a) industrial controls; (b) civil supplies other than foodstuffs; (c) price control over civil supplies other than foodstuffs; (d) Coffee Market Expansion Act, (e) rubber production; (f) cotton textiles including standard cloth. Miscellaneous: Administration and control of the Indian Stores Department, London, and the Government Test House, Alipore.

(The Statesman, 15-4-1943, and "Industrial Bulletin" of the Employers' Federation of India, 26-4-1943.)+

Employment for Ex-Servicemen:

Views of Bombay Provincial Rural Development Board. +

Problems relating to the employment of service-men after demobilisation were discussed by the Bombay Provincial Rural Development Board at a meeting held at Bombay in the last week of March 1943.

So far as resettlement on the land was concerned, it was held that the amount of land available in the Province was limited and situated in excessively malarious areas, so that resettlement must form part of a general rural reconstruction programme. The Board was of opinion that intensive rural reconstruction work should be undertaken in villages where the greatest number of ex-soldiers and their families were found, land improvement schemes being undertaken to improve the fertility and production of the village lands, ~~special assistance being given for ex-soldiers' lands~~. Where land improvement work resulted in new cultivable land being available, this should be given only to returned soldiers.

The Board recommended that Government should prepare schemes for training ex-soldiers in agriculture, including fruit growing and similar agricultural operations, and also in village industries. For this training, returned soldiers ~~should be selected from men with homes~~ in the area in which the instruction is to be given. If returned soldiers could be made available in the shape of a force under military discipline for land conservation work, large-scale land improvement work should be undertaken in the Deccan. A start might be made by the examination of 20 villages in ~~and~~ one district and 20 villages in another to see how far general improvement schemes might be able to benefit the returned soldiers. Some scheme of pre-emption of land on behalf of soldiers might be beneficial. A suggestion that reclamation of land which is out of cultivation should be undertaken was also adopted.

The question of post-war employment of returned soldiers in factories was also raised at the meeting. A suggestion was made that if returned soldiers should wish to start small industries, or even larger ones, with their savings, the Government should help them to the best of its ability.

(The Bombay Information, 10-4-1943.)

#### Post-War Transport Problems:

##### Views of Indian Roads and Transport Development Association.

A deputation of the Indian Roads and Transport Development Association waited on the Member for Posts and Air and War Transport, Government of India, in the third week of April 1943 to direct the attention of the Government to transport problems that will arise after the war.

The deputation pointed out that India's 300,000 miles of metalled ~~and~~ "kutchra" roads will have to be multiplied several times if the villages are to be linked with main roads for the marketing of agricultural produce. With this end in view, the Association has for many years been successfully pressing forward the construction of more and better roads. Prior to the war a Road Fund was instituted which now has an annual income of about Rs. 15 million, distributed in a certain proportion to the provinces for building new roads. The war has resulted in the slowing down of the ordinary road programme and recently it was decided as an anti-inflationary measure to stop all work on roads not of immediate necessity. Some time ago the Association passed a resolution and suggested that post-war road construction should be paid for out of capital borrowing, and that unless this is done India will never get a proper road system. The Association also recommended that roads should be the responsibility of a special body and not part of the general P.W.D. The Association also offered to prepare with Government's assistance a "pilot" road plan for a particular area of a province which, if approved, could be a model for other provinces.

The deputation was informed that the subject was under examination by the Government and that their suggestions would be considered.

It may be recalled that one of the Committees set up by the Government of India for post-war reconstruction deals with the co-ordination of road, rail, inland, water transport and coastal shipping. The problem is being considered in two parts, namely, a short-term and a long-term policy. Immediately after the war, road construction will be undertaken to give employment to demobilized servicemen and to find use for motor transport and trained personnel which will be released from war work. The long-term plan aims at providing an adequate

road system to meet the needs of agriculture and industry.

(The Statesman, 20-4-1943.)

Commission set up to deal with Demobilisation Problems  
by Government of India.

The Government of India has appointed a commission to deal generally with demobilization problems. The commission consists of Sir Colin Garbett (senior Member) and an officer of the Demobilization Directorate, G.H.Q. (Member). The members of the commission will shortly visit different provinces to find out in consultation with local Governments the possibilities and problems of post-war reconstruction.

(The Statesman, 9-4-1943.)

Employment

Prevention of Hartals except in Furtherance of Trade Disputes:  
Amendment of Defence of India Rules.

In exercise of the powers conferred by section 2 of the Defence of India Act, 1939, the Government of India has made certain amendments to the Defence of India Rules the object of which is the prevention of hartals in places of employment. A hartal is defined as "any concerted cessation of work or refusal to work by a body of persons employed in any place of employment, except a cessation or refusal in furtherance of a trade dispute with which such body of persons is directly concerned." "trade dispute" means a trade dispute as defined in the Trade Disputes Act, 1929.

The amendments effected empower Provincial Governments to order the owners or managements of places of employment where a hartal is in progress to take steps to stop the hartal and to keep such places of employment open for the unimpeded employment of workers therein. Contravention of the order is made punishable with ~~imprisonment~~ imprisonment up to ~~six~~ 5 years or with fine which may go up to Rs. 500,000.

(The Gazette of India, Part I, Sec. 1,  
dated 17-4-1943, pages 413-414).

Women's Work

Women's Auxiliary Nursing Service.

The following information about the progress registered by the women's Auxiliary Nursing Service, instituted in 1941, to meet the growing need for an adequate nursing service occasioned by the war, is taken from "Indian Information" dated 15-4-1943:

The first training class of the Auxiliary Nursing Service began in October 1941. By October, 1942, there were 1,563 members trained and 99 under training. There were 1,026 Auxiliary Nurses, including 57 members of the old I.V.A.S. in service with the Army. All provinces participated in the scheme, the Nurses Registration Committee gave it their support and 87 civil hospitals with training facilities co-operated. During the first year the original target of 1,000 members was passed and a new scheme of training was adopted from October, 1942, in which emphasis was laid on the selection and training of candidates with certain minimum qualifications prepared to volunteer for general service and to ~~serve~~ serve till the end of the war and for six months after. To avoid the absorption of nurses in the Women's Auxiliary Corps, it was decided that candidates with nursing training would not ordinarily,

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be accepted for that body.

A statement on the recruiting position by the Chief Lady Superintendent shows that up-to-date over 15,000 applications have been received for admission to the service, nearly one-third of these (4,930) being from Madras, 1,450 from Bengal and 1,300 from Bombay. Up-to-date 1,953 nurses have been trained or are under training - 1,656 for general and 297 for local service. Of the 297 candidates who have offered to serve overseas 150 are already outside India. Madras has contributed nearly a third of the total number of nurses and Bombay one-fifth. Classified by communities, 603 of the nurses are Anglo-Indians, 543 Indian Christians, 123 Hindus, 24 Parsis, 5 Sikhs and 11 Muslims.

The dearth of Indian candidates was commented upon and a number of suggestions were made for raising the status of the nurses, providing better accommodation and generally making the service more acceptable to good class Indian girls. The Government of India are revising the conditions of service for the members of the Auxiliary Nursing Service, India (General Service). In addition to free board (rations, messing and mess servants) and lodging (accommodation, ~~further~~ furniture and light) the rates of pay will now be Rs. 100-2½-120-3-126 for the Uncertificated Auxiliary Nurses.

("Indian Information", 15-4-1943.).

#### War Transport

##### Sorley Scheme for Country Craft Traffic on West Coast to be Revised.

Reference was made at pages 47-48 of our February, 1943, report to the recommendations submitted by the Sorley Committee for increasing the volume of traffic carried by country craft on the west coast of India and the Government's action thereon. It is now understood that the scheme will be reviewed shortly. The plan has relieved the burden on railways, but has not attained the expected efficiency. In some areas cargo for the return journey is lacking; in others, shipping companies compete with country craft for the same goods. By May the monsoon breaks and for four months country craft will not be used. The period will be utilized for readjustment according to the experience gained. It is possible that ~~the~~ control will be exercised on steamships plying between Karachi and Bombay to eliminate competition and make country craft and steamship complement each other. Fleets of country craft may be organized to ensure regular two-way traffic between certain areas on the west coast.

(The Statesman, 8-4-1943.).

#### Navigation

##### Seamen's Work under War Conditions:

##### National Seamen's Unions Demands:

##### Wages during periods of sickness and Detention by Enemy.

Efforts are being made by representative bodies of Indian seamen to ventilate their grievances and to seek remedies. A deputation of representatives of the National Seamen's Union, Bombay, waited on Mr. T.S. Pillay, Joint Secretary, Commerce Department, Government of India, on 19-4-1943 at Bombay.

The deputation desired that some sections of the Indian Merchant Shipping Act should be amended and the section relating to the system

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of licensed brokers should be abolished altogether. They pointed out that it was necessary to provide that, in case of shipwreck, the agreement of service should not be terminated, as all ships were fully covered; also that when a seaman was reported sick, he should continue to receive his wages. The deputation further urged that provision should be made in the Act enabling a seaman, detained in ~~any~~ an enemy country or at any port belonging to the Allies, to continue to receive his wages for the full period of such detention either during or after the war.

In his reply to the deputation, Mr. Pillay pointed out that the Act could not be amended during the war unless the amendment was urgent and imperative. He assured the deputationists that cases of late payment and immediate relief to rescued crews would be considered and promised that he would communicate with shipowners on the need for improvement in the accommodation given to Indian seamen on ships and that the question of revision of pensions would be sympathetically considered by Government.

It is learnt in this connection that a conference of seamen and shipowners will be held in Delhi shortly to consider questions affecting seamen, arising from war conditions. The conference aims at certain provisions being made in the Indian Merchant Shipping Act to safeguard the interests of seamen.

("Indian Finance" dated 24-4-1943.) +

**SOCIAL INSURANCE**

**Compensation for War Injuries**

**Government Bill referred to Select Committee.** +

Reference was made at pages 51-52 of our March 1943 report to a Bill introduced in the Central Legislative Assembly, by the Labour Member, Government of India, for imposing on employers a liability to pay compensation to workmen sustaining war injuries.

A motion to refer the Bill to a Select Committee was adopted by the Assembly on 31-3-1943.

During the debate on this motion, Mr. Miller (European Group) raised objection to the Bill arguing that the Bill favoured certain workmen, as against the ordinary citizens, giving these workmen more than double the compensation payable to others under the war injuries scheme.

Supporting the motion, Mr. N.M. Joshi pointed out that no justification was required for the so-called "discrimination" referred to by Mr. Miller, as workmen had to stay and work in factories under great risks, and as such had every right to be fully compensated. He, however, wished that the Bill provided for compensation to all classes of workmen, and especially the Assam plantation labourers and seamen.

Answering the points raised by Mr. Joshi, Dr. Ambedkar, Labour Member, explained that the measure had to be restricted to certain classes of workmen, as it was impossible for Government to increase generally the scale of relief under the war injuries scheme or to undertake an indefinite liability to pay further compensation to a particular class of employees from Government funds. He added that the Bill, however, contained provision for extending when necessary ~~the~~ the benefits of the scheme to other classes of workmen, and said that Assam plantations were not exposed centres at present, but should they become exposed centres, the Government would take steps to bring Assam labour within the scheme.

(The Hindustan Times, 1-4-1943.) +

Views of the Committee of the Bombay Chamber of Commerce  
on War Injuries (Compensation Insurance) Bill, 1943.

The Committee of the Bombay Chamber of Commerce has raised the following points in regard to the Government of India's War Injuries (Compensation Insurance) Bill, 1943, (Vide pages 51-52 of our March 1943 report) introduced in the Central Assembly on 11-3-1943:

(1) The Committee is of opinion that the cost of compensation for injuries to workmen arising directly from hostile attack should essentially be for the account of Government.

(2) The following points in the Bill require clarification: (i) The definition of 'workmen' appears to include clerical staff of the employers. If this ~~was~~ intended, the Bill should specifically say so. (ii) War allowances which were, or should be, of temporary war-time operation should not be included with the wages in the assessment of compensation and they should be specifically excluded.

(3) Finally, the Committee considers that the Bill should have been circulated for opinion before it was introduced into the House. It required a great deal of study, and it is probable that many difficulties would have become apparent after more detailed examination than was possible in the short time available.

(4) The Committee feels that there was no need to push the Bill through at the last minute and that it may be adduced that Government's anxiety to do so was for revenue purposes rather than anything else.

(Excerpts from the Proceedings of the Committee  
of the Bombay Chamber of Commerce for  
March, 1943.)+

Scheme for Merger of Small States with Larger States:  
Crown Representative's Decision. †

According to a communiqué issued by the Government of India in the second week of April 1943, a scheme of qualified merger of small Indian States with neighbouring larger ones with whom they have geographical, economic and political affinities has been decided upon by the Crown Representative.

The scheme, says the "communiqué", is intended to deal with the "perplexing political and administrative problems" which arise from the existence of literally hundreds of such small units. These units fall within the category of "Indian States", but owing to the slenderness of their individual resources and general aversion from neighbourly co-operation, they are unable to provide adequate amenities for their subjects. The communiqué refers to the ~~discussion~~ discussion of the problem in the period preceding the Government of India Act, 1935. Later, the Government of Baroda State (to whom many of the small units in Western India and Gujarat are tributary) brought forward proposals to bring these tributaries into closer relations with Baroda State. A fresh approach to the problem has since been made on the lines of these proposals and on a wider basis with a view to affording to other larger States an opportunity to assume similar responsibilities in respect of units which have similar geographical, economic and political affinities with them. As a result, the Crown Representative, acting with the concurrence of the Secretary of State, has decided to adopt a wider scheme of merger. The States, to which such responsibilities are to be transferred have been apprised of these details, as also have the units to be attached which collectively cover an area of over 7,000 square miles with a population of over 800,000 and an annual revenue of more than £7,000,000.

(The Times of India, 17-4-1943.)

The Times of India in an editorial article commends the merger scheme ~~of~~ and says: "The people of the small States....should benefit from incorporation in larger units with better administrative and educational facilities. There may be room for improvement as regards the details of the Viceroy's scheme, but with its principle there will be general agreement." (*The Times of India* 17-4-43).

The Hindu dated 17-4-1943 in a leading article on the subject sounds a note of criticism mainly on the ground that the change is not sufficiently democratic and progressive, but means only the creation of a new feudal tenure. It says: "But why should the merger be with States alone? It is obvious that there are many small States which have far greater affinities with the adjacent British Indian territories..... The proposed merger is described as 'partial'; but whether partial or full, it will be a transaction that will profoundly affect the future of the inhabitants of these small states. Should they not have a voice in such a transaction? .... At a time when the States peoples are pressing for self-government and democratic institutions which would bring them into line with their compatriots outside the States and lead without undue delay to the evolution of a common citizenship, common loyalties and uniform institutions for all India, the Crown Representative's decision cannot but be regarded as a reactionary move..... If the Crown Representative persists in putting this scheme through in the teeth of popular opposition which we foresee, it will be difficult to avoid the conclusion that it is the result of a deliberate move on the part of Britain to organise the bigger States as a second line of defence against India's demand for freedom."

(The Hindu, 17-4-1943.)+

Viceroy's Executive Council:  
New Appointments

The following appointments were announced on 2-5-1943 to the Viceroy's Executive Council:-

To be Member for Supply: The Hon'ble Dewan Bahadur Sir A. Ramaswami Mudaliar, K.C.S.I., at present a representative of India ~~on~~ the War Cabinet.

To be Commerce Member: Sir Muhammad Azizul Haque, C.I.E., at present High Commissioner for India in London.

To be Member in charge of Information and Broadcasting: The Hon'ble Sir Sultan Ahmed.

To be Law Member in succession to the Hon'ble Sir Sultan Ahmed: Sir Ashoke Kumar Roy.

To be Member in charge of the Department of Indians Overseas: Dr. N.B. Khare.

\* The Governor-General has appointed Sir S.E. Ranganadhan, at present an Adviser to the Secretary of State for India, to be High Commissioner for India in London in succession to Sir Muhammad Azizul Haque.

The new appointments bring the total strength of the Executive Council to 13.

(The Hindustan Times, 3-5-1943.) +



List of the more important publications received in this Office  
during April 1943.

National Labour Legislation.-

- (1) The Travancore Maternity Benefit Bill, 1942.
  - (2) The Mysore Labour Act, 1942 (Act XXII of 1942) (price Re.0-1-6).
  - (3) The Mysore War Injuries Act, 1942 (Act XXVI of 1942) Price Re.0-1-6).
  - (4) Essential Services (Maintenance) Act, 1942 (Act No. XXIII of 1942 - Mysore) (Price Re. 0-0-6).
  - (5) Mysore Motor Vehicles (Drivers) Act, 1942 (Act XXVI of 1942) (price Re. 0-0-6).
- (Nos. 2 to 5 printed by the Superintendent, Government Press, Bangalore).

Economic Conditions.-

- (1) Government of the United Provinces - Memorandum on the Budget for the year 1943-44. Allahabad: Superintendent, Printing and Stationery, U.P. 1943.
- (2) Government of the United Provinces - Detailed Estimates and Grants for the year 1943-44 (As authorized by His Excellency the Governor). Final. Allahabad: Superintendent, Printing and Stationery, U.P. 1943.
- (3) Report of the Fact-Finding Committee (Handloom and Mills). Published by the Manager of Publications, Delhi. 1942. Price Rs. 7-8-0 or 11s.6d. (Not published)
- (4) Guide to Current Official Statistics. Vol. I - Production and Prices. Prepared under the instruction from the Economic Adviser by S. Subramanian, Statistician. Published by the Manager of Publications, Delhi. 1943. Price Rs. 4-0-0 or 6s.6d.
- (5) Report of the Sangli State Economic Enquiry Committee, Sangli, 1942. Published by the Dewan, Sangli State, Sangli. Summary of Recommendations of the Sangli State Economic Enquiry Committee. 1942.
- (6) Annual Report of the Director of Industries, Bihar, for the year 1939-40. Superintendent, Government Printing, Bihar, Patna. 1943. ~~Superintendent, Government Printing, Bihar, Patna. 1943.~~
- (7) Statistical Part of the Annual Report of the Director of Industries, Bihar, for the year 1940-41. Superintendent, Government Printing, Bihar, Patna. 1943.
- (8) Statistical Leaflet No. 3 - Receipts at Mills in India of Raw Cotton classified by Varieties, 1941-42 Season; <sup>No. 4</sup> Exports by Sea of Indian Raw Cotton Classified by Varieties, 1942 Season. Indian Central Cotton Committee, Post Box 1002, Bombay. Price 4 annas each.

Agriculture.-

Report of the Agricultural Department, Bihar, for the period 1st April, 1939, to the 31st March, 1940. Superintendent, Government Printing, Bihar, Patna. 1943. Price Rs. 2-8-0.

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**INTERNATIONAL LABOUR OFFICE**  
**INDIAN BRANCH**

Report for May 1943.

International Labour Office Bureau International du Travail	
Date Recd	SEP 13 1943
File No.	
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## NATIONAL LABOUR LEGISLATION.

### Draft Mines Rules, 1943.

#### Government of India.

In exercise of the powers conferred by Section 30 of the Indian Mines Act, 1923, the Government of India has, on 27-5-1943, published (pages 573 to 578 of Part I, Section I, Gazette of India, dated 29-5-1943) the draft of certain rules superseding all similar rules adopted by provincial Governments under the Act. The rules provide for the constitution and functioning of mining boards and courts of inquiry, and maintenance by employers of registers and other documents, and lays down certain minimum standards in respect of sanitation and health and provision of first-aid, medical help and safety arrangements in all mines to which the Indian Mines Act, 1923, applies. The draft will be taken up for consideration after 1-10-1943.

The Gazette of India, Part I,  
Section I, dated 29-5-1943, pages  
573-578.

#### Bombay.

The text of the Bombay Non-Urban Labour Housing, Sanitation and Provision Shops Bill, 1943, is published at pages 959-961 of Part I of the Bombay Government Gazette, dated 13-5-1943. The Bill provides for opening of provision shops for and regulating the housing and sanitary conditions of non-agricultural labour in areas outside municipal and cantonment limits. Objections and suggestions in respect of the Bill have to be submitted by 30-6-1943.

(For fuller information about the Bill see section: Living Conditions - Housing, of this report).

SOCIAL POLICY.

Government of India's Labour Secretary to Study  
Labour Problems in London.

It is understood that Mr. H.C. Prior, Secretary, Department of Labour, Government of India, is proceeding to London on deputation, to ~~be with the attached to the British Ministry of Labour~~ acquire first-hand knowledge of the Labour Department in Britain, particularly in relation to labour legislation and labour welfare. He is expected to be in London for about six weeks.

Prof. D.T. Jack, Labour Adviser to the Government of India, is also returning to London on the expiry of his term. Mr. Prior is likely to select a successor to Prof. Jack during his stay in London.

(The Statesman, dated 27-8-1943).

Industrial DisputesIndustrial Relations Board to be set up in Travancore state

The considerable industrial development that the State of Travancore has witnessed in recent years has brought in its wake increase in the number of disputes between workers and their employers. At present, such disputes can be settled only by reference to Government under the Trade Disputes Act. Procedure under the Act is not simple and is subject to delay. It is therefore proposed to set up an Industrial Relations Board. An Industrial Relations Committee is to be set up for each industry consisting of an equal number of representatives of employers and labour, and, in addition, a chairman who may be elected by both parties from amongst themselves or from outside.

The Board will be constituted from the members of these Committees and will chalk out the general policy underlying industrial relations in the State. It can also function as an appellate authority over the Industrial Committees. If the Board acts under the provisions of the Travancore Arbitration Act, any award made by it will be legally binding, or the decision can form a gentleman's agreement which will be adhered to by both parties.

(The Indian Review, May, 1943.)

Labour Disputes in Textile Mills in Gwalior State:  
Textile Labour Commission set up by Government.

In order to investigate the causes of industrial disputes in textile mills in Gwalior, the Government of Gwalior State has appointed a Textile Labour Commission with Professor Kale as Chairman and Messrs. S.C. Joshi of Bombay, G.R. Garde, member, Judicial Committee, Gwalior Government, S.S. Mirajkar of Bombay and Rao Bahadur Lalchand Sethi of Ujjain as members. The commission has started work and held its first sitting in Gwalior towards the close of April 1943.

(The Hindu, dated 3-5-1943).

Leave and Leave Allowance of Inferior and Menial Servants  
of Local Bodies: Madras Government's Draft Rules.

The Government of Madras has, on 10-5-1943, gazetted draft rules for regulating the grant of leave and leave allowances of inferior and menial servants of local boards in the province.

Inferior Servants.- The rules provide that servants whose posts are classed as inferior in the rules regulating the grant of gratuities by local boards may be granted leave and leave allowances (i) as provided for in the Fundamental Rules in the case of persons who were entertained in service prior to the 4-9-1933; and (ii) as provided for in the Madras Leave Rules, 1933, in the case of persons who were entertained in service on or after that date. Casual leave may be granted to inferior servants up to a maximum of fifteen days in all in the course of one calendar year. No single period of absence on casual leave may exceed seven days. Casual leave may be combined with Sundays or authorized holidays provided that the resulting period of absence of from duty does not exceed ten days. They will not be entitled to any casual leave as a matter of course. Casual leave cannot ordinarily be taken in combination with any other leave, vacation or joining time. The president of a local board may, however, sanction such combination in special cases provided there is no evasion of rules, for instance, when a servant is obliged to be absent owing to the prevalence of infectious disease in his house.

Menials.- Servants classified as menials may be granted in each year of service calculated from the 1st April to the 31st March, following- (i) leave on full pay for a period not exceeding fifteen days; and (ii) leave on half pay for a period not exceeding one month subject to the production of a medical certificate granted by a registered medical practitioner.

All leave admissible to a menial, but not taken by him within the year as specified therein, lapses. In the case of menials of less than one year's service, leave may be granted only to the extent earned by active service, i.e., in the proportion which his active service bears to the full active service prescribed for a complete year. The two kinds of leave specified above may be granted in combination. Menial servants are not entitled to casual leave.

Married women menial servants may, in addition, be granted maternity leave on full pay for a period not exceeding two months in respect of each confinement. This leave is not debitable to the leave account and may be granted in combination with any other kind of leave. The sanctioning authority may, before granting the maternity leave, require the servant to furnish a medical certificate granted by a registered medical practitioner regarding the state of her health necessitating such leave.

The draft rules will be taken up for consideration after 10-7-1943.

(Rules Supplement to Part IA, Fort St.  
George Gazette, dated 25-5-1943, pp.1-2).



Labour Conditions of Factory Operatives in Baroda in 1940-41\*

Number of factories.- The ~~xxx~~ total number of factories on the register in the Baroda state on 31-7-1941 was 158 as against 162 in the previous year. The number of factories in actual operation under the Factories Act was 148 as against 140 in the previous year. Out of these, 45 were perennial and 103 seasonal as compared with 38 perennial and 102 seasonal in the previous year. Out of 45 perennial working factories 21 worked on night shift almost throughout the year as against 13 factories during the previous year. Some of the seasonal factories worked on night shift during some part of the season.

Number of workers.- The number of operatives employed in all industries during the year was 41,104 as against 37,143 in the previous year. Of the 41,104 workers, 34,708 or 84.4 per cent. were men, 6,075 or 14.8 per cent. were women and 321 or 0.8 per cent. adolescents. The respective numbers for the previous year were 31,039; 5,789 and 315.

Inspection.- Out of 45 perennial working factories, 38 were inspected more than once while 7 were inspected once only. Out of the 112 seasonal factories only 103 worked this season. Out of these 96 were inspected, while 7 were not inspected because they worked only for a very short time.

Prosecution.- Prosecutions were instituted against 2 factories and both of them resulted in convictions during the year. 35 warnings were given to various factory managers for breaches of factory regulations.

Revision of Factories Rules.- The draft rules under the revised Factory Act, Act XX of 1940, were being prepared during the year. Thus, throughout the year, inspection was based on the rules under the Act of 1930.

Payment of wages Rules.- In 1940, the Indian Payment of Wages Act, 1936, was extended to Baroda with necessary modifications. To administer the Act, the Bombay Payment of Wages Rules, 1937, have been applied to the State with necessary modifications.

Working of the Trade Unions Act.- The four trade unions, registered in 1940 functioned during the year with a membership of 5,359 on 31-7-1941 as against 5,447 on 31-7-1940.

Labour Disputes.- <sup>Towards</sup> ~~During~~ the end of July 1940, there were strikes in 10 mills on the question of dearness allowance due to the war. The employers and the workers finally agreed to submit the dispute for settlement by an independent arbitrator. ~~Mr.~~ R. M. C. Desai who was appointed by the Government gave his award on 20-1-1941. The dispute was however amicably settled between employers and employees. Under the guidance of the arbitrator the final award was given on 10-2-1941.

Apprentice scheme.- With a view to supply trained labourers to textile mills and also minimise unemployment among the educated backward class people, an apprentice scheme was introduced in 1940. Only a few students have taken advantage of the scheme and the results were discouraging. In 1941 only 13 students were deputed for training at Baroda, Billimora, Petlad and Navsari.

Survey of Economic Conditions.- A detailed economic inquiry of the textile mills in Navsari, Billimora, Petlad, Kadi and Sidpur was

\*Annual Report of the Department of Industries and Labour, Baroda State, for the year ending 31st July, 1941. Baroda State Press. 1943. Price Re. 0-11-0. Pp. 69.

carried out under Government instructions by Mr. B.S. Desai, the Assistant Director of Labour, during the year under report.

Workmen's Compensation. - One application for workmen's compensation was received during the year. Compensation amounting to Rs. 6,509-1-5 was paid to workers in case of accidents which occurred in industrial concerns as against 6,403-11-6 paid in the previous year.

Maternity Benefits. - Total amount of maternity benefit paid to factory female operatives during the year was Rs. 3,036-0-0 as against Rs. 2,567-10-0 paid in the previous year. The number of women who claimed benefits was 175.

ECONOMIC CONDITIONS

Criticism of Reserve Bank's Proposals for Stricter Control of Banking.

Reference was made at pages 7-8 of our April, 1943, report to the proposals made by the Reserve Bank to the Government of India to undertake legislation for stricter control of banking in the country. The Reserve Bank's proposals to amend ~~Section 277/1~~ of the Indian Companies Act regulating banking in India were circulated by the Commerce Department, Government of India, on 15-3-1943 and banks and commercial and trade organizations were asked to express their opinion on the proposals by 15-5-1943. Some of the views expressed on the subject are briefly summarised below:-

Views of Bharat Bank Ltd.- One of the newly formed banks, The Bharat Bank Ltd., while recognising that the Reserve Bank is actuated by high motives and that some of the suggestions made are essential for the healthy growth of banking in India, does not think that a convincing case has been made out for the type of drastic legislation proposed by the Reserve Bank. It says that in no part of the world are there such restrictions on the capital structure of banking companies as are suggested by the Reserve Bank, and that the concern of the legislatures in other countries has been to secure reasonable and adequate capitalization of banks rather than to fix any arbitrary ratio between the subscribed and paid-up capital of banks.

In India under-capitalization has been the general cause of banking weakness. The post-war period promises tremendous scope for India's increased import and export trade and vast industrialization of the country. For this it will be fair to assume that there is a special advantage not only to the banks but to their depositors and shareholders to have a large subscribed capital and a paid-up capital reasonably large enough to afford adequate protection to the depositors and in a certain proportion to the working capital.

Summarizing its lengthy argument, the Bharat Bank states that any changes in banking legislation in India should be based on the following:-

1. In the interests of the investing public, banks should have the option to have various kinds of shares to attract the largest possible number of investors.
2. Interests of depositors should be safeguarded by regulating the voting powers of shareholders according to the type of investments and their proportionate risks.
3. The capital structure should be flexible and adjustable. To safeguard the interests of the depositors and to have an adequate paid-up capital, a minimum limit for the same may be fixed and there should be a fixed minimum ratio between the paid-up capital and deposits.

Finally, reference is made to the Reserve Bank's proposal to give retrospective effect to the proposed changes in regard to banks situated after the outbreak of war. The Bharat Bank holds the view that "if as it is found that certain principles and policies are wrong, then there is no reason why older banks should not be made to modify their constitutions," that "the working of each and every flotation should be considered on individual merits" and that "it is the duty of the legislature to avoid disturbing the interests and acquired rights of existing arrangements."

Views of Dr. L.C. Jain.- The views expressed by Dr. L.C. Jain, ex-President of the Indian Economic Association, in a statement to the

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press in the first week of May 1943 are also of interest in this context. In his statement, he urged the appointment of a superintendent of banking, assisted by bank inspectors, for the purpose of exercising some healthy control over banking in practice, by the Reserve Bank or the Government of India.

He criticised "the indiscriminate manner in which new banks have been opened in India during the last year or so" and said: "It seems to be no one's responsibility to see that banks are opened only in places where they are needed in the interests of the country and more especially that their capital structure is sound and stable." He considers that the tendency of business magnates having too many irons in the fire and the opening of banking institutions on the top of other business is not, having regard to post-war economic reconstruction, in the best interests of the country and should be regulated by the Reserve Bank of India, if necessary, by suitable legislation.

Emphasizing the need of better statistical and intelligence service, he said that a periodical publication of banking statistics and a critical and unbiased review of banking operations can be a great aid in the development of banking on sound lines and can check to some extent unhealthy tendencies.

(The Statesman, 8-5-1943.

The Hindustan Times, 6-5-1943.)

Plea to Industrialists to subsidise Scientific Research:  
Sir S.S. Bhatnagar's address at Annual Meeting of  
Indian Chamber of Commerce.

A plea for the encouragement of scientific and industrial research by Chambers of Commerce in India was made by Sir S.S. Bhatnagar, Director of the Council of Scientific and Industrial Research, addressing the annual general meeting of the Indian Chamber of Commerce, Punjab, held at Lahore on 30-4-1943. He said that industry without scientific research was not worth much and closer contact between Indian scientists and the business community was essential for industrial progress. He appealed to the business community to subsidise research work at the Punjab University.

Jardar P.S. Sodhbans, President of the Chamber, urged the establishment of national government in the Centre and said that without such a government economic progress would not be possible. He criticized the system of price control, the activities of the United Kingdom Commercial Corporation, the accumulation of sterling balances and the inflation policy of the Government. Concluding, he made an appeal for Rs. 200,000 for a building for the Chamber and for the establishment of a well-equipped library and a research bureau.

(The Statesman, 3-5-1943.)

Review of the working of Government Industrial Concerns in  
Mysore State during 1941-42

Reviewing the report on the working of the Government Industrial concerns in the state during the year 1941-42, Government of Mysore observes that the working of the ten industrial concerns under Government control continued to be ~~satisfactory~~ satisfactory and the production, sales and profits further increased in all the concerns during the year, while several new investigations and schemes of

of expansion were undertaken in many of them. Owing to restrictions on imports of raw materials due to lack of supply and also control of essential commodities in foreign countries, inadequacy of internal transport, increasing difficulties were experienced in getting essential machinery and raw materials, and in moving finished products. During the year under review, the Department continued to supply handloom blankets, carbonised coconut shell and buttons to the Supply Department of the Government of India.

**Help for Handloom Weavers.**- In order to give relief to the handloom weaving industry which was ~~hampered~~ hit owing to competition from mills, Government opened 30 yarn depots for supplying yarn at cost price to weavers, at important weaving centres, and eight depots for the selling of the finished products. A dye-house was started for the supply of dyed yarn to handloom weavers. Handloom products were granted exemption ~~from~~ payment of octroi duties. The Badamal Spinning centre and other khadi centres sold yarn valued at Rs. 93,000. There were ten industrial schools working under the control of the Industries Department.

(The Hindu dated 3-5-1943.)

Anti-Inflation Measures in the United Provinces;  
Government Scheme to encourage Individual Savings  
and Raise Collective Subscriptions for Post-War  
Rural Development.

Action is being taken throughout the country to immobilize surplus purchasing power. The measures recently announced by the Central Government ~~and~~ (vide pages 276 29 of this report) will rope ~~the~~ in the urban population and the provincial Governments will influence largely the rural classes. While no target has been fixed, it may well be that the drive will result in immobilizing Rs. 1500 to Rs. 2000 millions and this should prove a strong check on inflation, provided Government expenditure is reduced to what is unavoidable.

**The U.P. Scheme.**- With a view to immobilize to some extent the surplus purchasing power that war inflation has put into the hands of rural ~~producer~~ producers, the Government of the United Provinces is introducing a scheme under which villagers may utilise the surplus money in their hands in either of two ways: make regular deposits into the Post Office Defence Savings Banks, or contribute to a collective fund that is being built up by the Government. In the ~~first~~ case, deposits in Post Office Savings Banks, the minimum is fixed at Rs. 2 and the maximum at Rs. 10,000. Deposits are returnable with interest one year after the war. Responsible postal officials have been appointed in each village to collect these deposits.

But the more important feature of the scheme is that of collective subscriptions by zamindars, tenants, ~~banias~~ and other inhabitants of villages. The aggregate sum so raised from each village will be invested in war bonds and war loans for the duration of the war, after which it will be utilised for some purpose beneficial to the whole village as indicated by the subscribers. The type of works envisaged are hospitals, dispensaries, wells, schools, inter-village communications, bridges and new roads.

**Estimate of Collection.**- Government is also expected shortly to announce measures of direct and indirect taxation, which will enhance the existing fees, duties, cesses and taxes, not because the Government wants more money for public expenditure, but because the Government does not want surplus money to be in the hands of the public. It is estimated that it would be possible in the U.P. to immobilize by taxation and by subscriptions about Rs. 60 to 70 millions in the year, and if other provinces act similarly, it may be possible for the provinces to immobilize Rs. 500 million of

Surplus purchasing power.

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(The Statesman, 23-5-43).

SOCIAL INSURANCE.

Control of Capital Issues: New Defence of India Rule.

On 17-5-1943, the Government of India added a new Rule (No. 94-A) in the Defence of India Rules: the new rule prohibits (1) without the prior consent of the Central Government: (a) an issue of capital in British India (b) any public offer of securities for sale in British India, (c) the renewal of repayment of any security maturing for payment in British India; (2) without the prior consent of the Central Government an issue of capital anywhere, whether within or without British India, by any company incorporated in British India; (3) the issue in British India of any prospectus or other documents offering for subscription or ~~public~~ publicly offering for sale any security which does not include a statement that the consent of the Central Government has been obtained to the issue or offer of the security; (4) subscription for any securities issued by a company in respect of any issue of capital made in British India or elsewhere unless such issue has been made with the consent of the Central Government. Applications which are made to the Central Government in pursuance of the provisions of this rule will be considered by a departmental committee on which representatives of the Commerce and Industries and Supply Departments will be associated with the Finance Department. The Reserve Bank of India will be consulted in regard to applications involving the issue of capital for proposed financial enterprises, including banks, investment and finance and insurance companies.

The object of the rule is to prevent in the present circumstances the growth of mushroom companies which stand little chance of survival in the post-war period, and other undesirable practices, such as the reconstitution or recapitalization of concerns on the basis of their present abnormal profits to the detriment of an indiscriminating investing public. There is no intention, Sir Jeremy Raisman, Finance Member, declared at a Press Conference, of handicapping or retarding sound and legitimate industrial development, or expansion calculated to promote the war effort of the country or to increase production to meet the <sup>current</sup> requirements of the country at present or in the near future, in which cases the application for sanction will encounter no difficulty.

(The Gazette of India Extraordinary, dated 17-5-1943, pages 343 to 344 and the Statesman dated 18-5-1943).

Comments of the Hindu.- The Hindu, Madras, in its issue dated 19-5-1943 makes the following editorial comments on the Ordinance:-

The object of the new Defence Act Rule banning flotations not approved by the Central Government is said to be to prevent the growth of mushroom companies. There is no doubt that of late especially, there have been flotations with a capital structure based on the existing inflated level of profits, which, once the war is over, cannot be realised and which therefore ought to be discouraged; but it cannot be maintained that this market has been unduly active in India. On the other hand, flotations have been remarkably ~~few~~ few all things considered. On general grounds, however, a case can be made out for the control of our capital market.

Such control should be exercised not ~~merely~~ merely to prevent the growth of mushroom concerns, but also to encourage the rise of sound ones. It is a pity that the Rule is not based on any careful study of our capital market and possibilities of industrial development in the recent past with a view to encouraging the flow of capital into every desirable industry.

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The machinery proposed to exercise controls also unhappy. If the Government really desire not to check industrial development, control over flotations should be vested, not in routine clerks in the Finance Department, but in a body like National Investment Board. Such an organisation should go into every application on merits and, when approval is withheld, the full reasons should be stated. Investors, as the Macmillan Committee showed, require guidance, but not unwise handicaps. Above all, it should be borne in mind that the discouragement of flotations will deny scope for enterprise, limit the supply of securities, tend artificially to swell the prices of the existing securities and thus add to the inflationary forces already at work.

Views of Southern India Chamber of Commerce  
on Government's Proposed Sickness Insurance Scheme.

At a meeting of the Labour Subcommittee of the Southern India Chamber of Commerce, Madras, on 19-5-1943, Prof. Adarkar, Special Officer appointed by Government of India for drafting a scheme of sickness insurance for workers, explained the proposed scheme in outline and said that the idea behind the Government's scheme was to bring in cotton, jute, heavy engineering, mineral and metal factories under its operation and that the question of bringing in seasonal factories also was under consideration. No Governmental contribution to the sickness fund was proposed. Both employers and workers were expected to contribute, the workers contributing a day's wage each month. Medical relief would be given to all workers alike but only workers who had been in employment for six months or more would be entitled to join the scheme for securing cash benefits. The administration of the fund would be in the hands of the Central Government, but there would be provincial boards with representatives of employers and employees and local committees in important industrial centres.

Giving its views on the proposals, the Chamber emphasised that the Government should contribute equally with employers and employees to the fund and that factories, mines or plantations in which employment led to certain specific diseases should alone be included, to start with, in the scheme. Plantations should be among the first to be brought under the scheme. It added that the piecemeal tackling of labour welfare schemes was undesirable and suggested that any fund which might be started should be utilised for all welfare purposes such as unemployment insurance, housing facilities, children's and adult education and retirement benefits. It also suggested that medical relief should not be merely allopathic but should include the administering of medicines known to other systems favoured by the workers.

(The Hindu, dated 20-5-1943).

## SOCIAL INSURANCE.

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(The Hindu, dated 20-5-1943).



EMPLOYMENT, UNEMPLOYMENT AND VOCATIONAL TRAINING.

Higher Training for Nurses:

School of Nursing Administration opened at Delhi.

A School of Nursing Administration, the first institution of its kind in India, for giving organised higher training to selected nurses to fit them for administrative duties in hospitals and for training new nurses, was opened at Delhi on 20-4-1943, by Lady Linlithgow.

Sir Jogendra Singh, Member, Education, Health and Lands, Government of India, surveying the present condition of civil nursing in the country, said that it was far from satisfactory and that it was still not generally recognised that in the practice of medicine, the nurse was hardly less important than the doctor. Past ~~ex~~ prejudices, he said, were rapidly disappearing, and there would be no dearth of candidates if reasonable conditions of employment, good treatment and proper facilities for training were provided. In the post-war India, he said, replanning of health services must take a prominent place and an important item in the programme of reconstruction must be the organization of nursing services, in which he included, not only nursing staffs in hospitals, but also nurses in preventive health work services.

Declaring the School open, Lady Linlithgow pointed out that one of the chief reasons for the "calamitous" situation as regards nursing services in India, was the paucity of institutions for training and the even greater dearth of specially trained instr<sup>u</sup>ctresses, known as sister tutors. Only eight of the training schools in India, or less than one per cent. possess such instr<sup>u</sup>ctresses, and all of them have been trained in Europe or America. Consequently the products of Indian training schools, though they may be adequate <sup>beside</sup> nurses, are very insufficiently equipped for undertaking any responsible post, such as <sup>matron</sup>. She endorsed the view expressed by Sir Jogendra Singh about bad quarters, overcrowding and inadequacy of nursing staff in many of the civil hospitals and said that in her opinion the housing, welfare and happiness of the nursing staff are of paramount importance ~~in~~ to the efficiency of hospitals and well-being of patients.

The new school has begun classes with 12 students, 6 sent by the War Department and six sent by Provincial Governments.

(The Statesman, 21-4-1943).

MIGRATION.

Judicial Commission to Inquire into Conditions of  
Indians in Natal: Early Announcement of Personnel.

In the course of a statement issued during his visit to Natal, about the middle of May 1943, Mr. Lawrence, Minister for Interior, Union of South Africa, is reported to have pointed out that he hoped shortly to announce the personnel and terms of reference of the judicial commission which is to be appointed to enquire into and report on matters affecting the Indian community in Natal. Among the subjects that will draw special attention from the Commission are the housing, health needs, civic amenities and adequate residential and educational facilities provided for Indian residents in the area.

It is also understood that questions affecting the place of the Indians in the South African Community, his status and the opportunities for his productive employment were referred to by a small group of members of the Institute of Race Relations which met Mr. Lawrence at Durban during his visit. The group discussed the terms of reference proposed for the Judicial Commission and raised a number of points likely to have a bearing upon the evidence to be presented. Points relating to the present temporary standstill position brought about by the "Pegging" Act were also discussed.

(The Mombay Chronicle, dated 22-5-1943).

Welfare of Indian Seamen in Britain:  
200 per cent. Increase in Wages.

The London Correspondent of the Bombay Chronicle, Bombay, has briefly reported <sup>in</sup> a cabled message dated 11-5-1943, the action taken by the British Government for the welfare of Indian seamen in Britain. The war has brought to the fore a number of problems in connection with the Indian seamen serving in the Mercantile Marine, the most important of them being their general welfare both on shore and while on the high seas, and it is pointed out that the British Government, in taking this action, is acting in the spirit of the I.L. Conference's recommendations on the subject of welfare of seamen.

At present there are three agencies directly and mainly responsible for looking after Indian seamen in Britain. The first is the Ministry of Transport which looks after seamen on the seas. The second is the Ministry of Labour which is responsible when they are ashore. The third agency is under Indian control and Indian direction, because it is realised that there are special problems arising from language and other difficulties so far as Indian seamen are concerned. In 1940, with the approval of the Government of India, the High Commissioner for India in London appointed three Welfare Officers - all of them Indians conversant with the Indian languages - who were stationed in London, Liverpool and Glasgow. They were charged with the special duty of watching the welfare of Indian seamen and assisting them. They were also expected to assist and advise the local Port Welfare Committees and the Welfare Officers. These three Indians maintain a close and constant touch with the Indian crews arriving in Britain.

200 per cent. Increase in Wages. - As a result of repeated representations, the Indian seamen are now getting a rise of 200 per cent. over their basic pre-war rate of wage plus another hundred per cent. of war bonus. ~~But this by no means meets the situation and Indian seamen cannot be said to be satisfied with their wartime pay.~~ The correspondent points out that these additions to earnings do not, however, serve to meet the increased cost of living and that Indian seamen are still dissatisfied with their wages, and says: "It is still a long way to fulfil one of the recommendations of the International Labour Office which laid down that wages of coloured seamen should not be less than those of other seamen."

(The Bombay Chronicle, 13-5-1943.)

Club for Indian Seamen opened in New York

The first British club for Indian merchant seamen in the U.S.A., named after Sir G.S. Bajpai was opened at New York on 14-5-1943. The Bajpai Club will provide curry and rice for seamen, native musical instruments, a curtained room for prayers, a roof garden and a games room.

(The Statesman dated 17-5-1943.)

Professional Workers, Salaried Employees and Public Servants.

Draft Notification re. Revised Scales of Pay for  
Bombay Local Boards Primary School Rs Teachers.

According to a draft Notification dated 10-5-1943, issued by the Government of Bombay, it is proposed to revise the scales of pay of primary school teachers employed by local authorities (District Boards, etc.). The minimum and maximum salaries of an unqualified teacher or a temporary qualified assistant teacher are fixed at Rs.15 and Rs.20 per mensem respectively. The initial or minimum pay of a permanent qualified assistant teacher is not, without the sanction of Government, to be less than Rs. 15 18 per mensem or more than Rs.25 per mensem and his final or maximum pay is not to be more than Rs.30 per mensem.

For a trained teacher the limits of pay will, except as otherwise sanctioned by Government, be as follows:-

	<u>Initial or minimum pay.</u>	<u>Final or maximum pay.</u>
1st year <sup>trained</sup>	Rs. 20 - Rs. 25	Rs. 30 - Rs. 40
2nd year	Rs. 25 - Rs. 30	Rs. 40 - Rs. 50
3rd year	Rs. 30 - Rs. 40.	Rs. 50 - Rs. 60

The scales of pay shall be so framed that a teacher may rise to the final or maximum pay in not more than 25 years. In addition to the pay specified above, personal pay in lieu of Head Masters' and First Assistants' allowances as sanctioned by Government may be paid after making a regulation in this behalf.

The draft is to be taken into consideration <sup>after</sup> before 14-7-1943.

The Bombay Government Gazette,  
Part IV-B, dated 13-5-1943, p.192.

HousingThe Bombay Non-Urban Labour Housing, Sanitation and Provisions Shops Bill, 1943.

With a view to provide for opening of provision shops for and regulating the housing and sanitary conditions of non-agricultural labour in areas outside municipal and cantonment limits, the Government of Bombay has drafted a Bill called the Bombay Non-Urban Labour Housing, Sanitation and Provision Shops Bill, 1943 (the bill is published at pages 959-961 of Part I of the Bombay Government Gazette dated 13-5-1943 and any objections or suggestions in respect of the Bill have to be sent in by 30-6-1943.).

In a press note dated 6-5-1943, explaining the subjects of the Bill, it is pointed out that epidemics of cholera in the Province which caused a large number of deaths were found to have originated in congregations of labourers employed in canal areas in connection with the crushing, etc., of sugarcane. Labourers' housing conditions in these areas, including those of some sugar factories, are incompatible with decent sanitation. The temporary huts often consist of brush-wood, thatch or bamboo matting without any plinth, and with no windows or other means of ventilation except an opening ~~with~~ which serves as a door. Inside the huts no person can stand upright. Often, no adequate provision is made for supply of drinking water. Too frequently, it is obtained from the nearest mulla or irrigation channel or stagnant pool of percolation water, all of which sources are normally polluted by human and animal excreta and by manures from crops which are washed down into the water. Latrines are seldom provided, and the banks of irrigation channels and of other water supplies are resorted to for the purposes of nature. It is obvious that such conditions afford an ideal field for the rapid extension of cholera and similar diseases. At the present time, the War Department has to erect a large number of camps, stores, and other constructions for purposes in connection with the war, and large bodies of labour are collected by contractors for such works, and in the past season cholera appeared in at least one such camp. Though conditions in these camps, largely owing to lack of water, are not normally so dangerous as in the sugarcane areas, they constitute centres of infection which may at any time, by reason of an epidemic breaking out, affect the general public, quite apart from the loss of life among the labourers themselves. During the past season, the cholera epidemic has, between the months of April to August, caused 5,861 deaths in the Province. During the same period, plague caused 86 deaths and there are indications that during the next cold weather plague is likely to spread very considerably at least in the southern part of the Province.

The press note adds that it is impossible for the Government of Bombay now to neglect the potential danger of assemblies of labourers under conditions which are peculiarly liable to endanger the health of the Province. In municipal areas, such assemblies can be controlled under the municipal sanitary and building by-laws and rules. But in non-urban areas there is no proper authority for enforcing sanitary regulations. The Government, therefore, finds it desirable to take powers to control such labour housing and sanitation in areas outside municipal and cantonment limits, and to make orders which will ensure that employers of labour provide reasonable sanitary conditions and open provision shops for their labour in such areas.

The draft bill provides for the better housing and feeding of non-agricultural workers in non-urban areas in the Province for the purpose of the Bill. Work connected with the cultivation of sugarcane or the

preparation of gur or sugar from sugarcane shall not be deemed to be agricultural work.

The subjects on which Government may under the Bill issue regulations from time to time are: (a) provision of plinths for and adequate ventilation and lighting in quarters, (b) adequate open space round quarters, (c) prevention of overcrowding in quarters, (d) provision of adequate floor area, (e) proper drainage and sanitary conveniences; maintenance of sanitary staff; (f) adequate and wholesome supply of water; (g) the provision of grain and grocery shops; (h) the prevention of the use or fouling of any source of water, and the disinfection thereof; (i) medical aid and first aid attention; (j) lighting, and (k) segregation of persons suspected to be suffering from infectious and contagious disease. A controlling officer will be appointed to enforce these regulations. Contravention of any order made under these regulations by employers is punishable with a fine of Rs. 100.

No person is to keep an eating-house without a licence granted by the Controlling Officer.

In the event of an outbreak of epidemic diseases in any area, the controlling officer may by order require that no employer in the area may retain in his employment any person if that person or any of the members of his household is not inoculated, vaccinated or revaccinated against the disease within twelve days of the date of the order made by the controlling officer or within twelve days from the date of employment of such person whichever is later. Managers of eating houses are to report cases among their customers as soon as possible.

(The Bombay Government Gazette, dated  
13-5-1943.)

## Workers' Organisations

### Labour Member's Appeal for United Labour Party; Affiliation with Political Parties Deplored.

The formation of a solid Indian Labour Party whose ambition and aim should be the establishment of a Labour Government in this country was suggested by Dr. B.R. Ambedkar, Labour Member, Government of India, speaking at a party given in his honour by the Bombay Presidency Committee of the Indian Labour Federation at Bombay on 10-5-1943.

Dr. Ambedkar deplored the splits and factions among labour leaders and pleaded for a united approach. Certain sections of the working class leaders all over the country, for one reason or other, had started separate organisations. Declaring that it was a most ~~un~~ unfortunate development, Dr. Ambedkar said: "To my mind one of the saddest things about the Indian labour movement is its thorough hollowness. The labour movement in this country today is the most superficial I have ever seen. There are leaders with no followers and it is time that labour leaders turned inwards to find out the defects of their organisation and strengthen it." His own opinion was that the working class movement ought to aim at the establishment of a Labour Government, even as the Labour Party in England. So long as capital remained what it was in this country, the lot of labour could not be much improved and hence labour should strive to run the government.

Pleading for unity among working class leaders, Dr. Ambedkar said that the movement today was composed of heterogeneous elements. The Trade Union Congress had<sup>log</sup> its president in a proclaimed Communist, and its general secretary was a Moderate; besides, there were in its Congress Socialists, Congressmen and all sorts of people. What was wanted was a strong and united Labour Party composed of men with a common aim. The sooner labour leaders composed their differences, broke away from other political organisations and refused to be tied to their apron strings and the sooner they became a separate and independent labour organisation, the better for the working class.

(The Statesman, dated 12-5-1943.)

### 1st All-India Congress of Communist Party of India, Bombay, 23-5-1943 to 1-6-1943.

After a lapse of eight years, the Communist Party of India held its first All-India Congress at Bombay from 23-5-1943 to 1-6-1943. About 25,000 workers attended, including 300 delegates from the provinces, of whom about 30 were women. Fraternal messages received from the U.S.A. Chile, Canada, Great Britain and South Africa were read at the session.

Mr. S.A. Dange's Address: Policy of Communist Party.- In his opening address, Mr. S.A. Dange, founder-member of the party, explaining the significance of the ~~3rd~~ Party Congress declared that the Communist Party which started with five members fifteen years ago had today over 25,000 members, besides vast numbers of workers who followed its lead. (According to a statement issued by the Central Committee of the Communist Party Office, the Party has been organised on an All-India basis and had on its rolls more than 18,000 members in 2,000 "cells". Besides, the Party claimed the backing of 240 trade unions).

Mr. P.C. Joshi's speech.- Mr. P.C. Joshi, General Secretary of the Party, then presented the report on the activities of the Party and its present policies and programmes.

Pleading for unreserved support of the war effort, Mr. Joshi said that if the Indian people looked upon the war as the war of British imperialists, they would pass helplessly from British imperialists to Japanese Fascists. The path to freedom lay through successful defence of India, which demanded uniting of her people in an alliance with the peoples of the world to fight this war as a patriotic war for all. He criticised the Government's action in arresting the Congress leaders, and said that this threw many patriots into the arms of the fifth column and destroyed people's morale.

Reviewing the growth of the Communist Party, he said that, from a hunted underground organisation, it had grown to be one of the major political parties of India and now controlled about 2 lakhs of workers, 3 lakhs of kisans, 50,000 women workers, 35,000 Red Guards and thousands of students. (1 lakh = 100,000).

~~11th~~ New Members of the Central Committee. - At the session held on 1-6-1943, the Congress elected the following as members of the Central Committee of the Party:- Messrs. P.C. Joshi (General Secretary); G. Adhikari, B.T. Ranadive, A.K. Ghosh, S.V. Ghate, S.A. Dange, N.K. Krishnan, P. Sundarayya, K.M.S. Nambudripad, Somnath Lahiri, D.S. Valdia, Biswanath Mukerjee, Sajjad Zaheer, Ranen Sen, Bhowani Sen, Iqbal Singh, S.S. Batlivala, Arun Bose, Mansar Rizvi, and Mohan Kumarmangalam.

(The Times of India and Bombay Chronicle,  
24 - 27-5-1943).

20th Session of the A.I.T.U.C., Nagpur, 1 and 2-5-1943:  
Report of General Secretary and Resolutions.

Reference was made at page 24 of the April 1943 report to the holding of the 20th session of the All India Trade Union Congress at Nagpur on 1 and 2-5-1943. Below are given summaries of the General Secretary's Report on the working of the Congress from February 1942 to 15-4-1943, submitted to the Conference and the more important resolutions adopted by the Conference.

Annual Report: Affiliations and Disaffiliations. - During the 1942 session at Cawnpore, the General Council sanctioned the affiliation of 44 new unions. Affiliation of 10 of these new unions lapsed, as they failed to pay the affiliation fees. Names of 9 unions were struck off during the Cawnpore session as those unions had become defunct. During the year 1942 the General Council sanctioned the affiliation of 38 new unions. 10 unions were struck off as they ceased to function. Applications from 57 new unions have been received at the close of the period under review. 52 affiliated unions were given notices in September 1942 that the names will be struck off as they had failed to pay affiliation fees for a long period.

Strength of the A.I.T.U.C. - The strength of the A.I.T.U.C. at the close of the period under review consisted of 191 unions, with a membership of 269,803. Of these 40 were textile unions with a membership of 66,508; 20 unions in engineering and allied trades and industries with a membership of 21,754; 15 railway unions with a membership of 49,703; 14 shipping unions with a membership of 18,200; 13 transport (other than railways and shipping) unions with a membership of 14,120; 11 unions each of jute and municipal workers with memberships of 25,367 and 16,197 respectively; 10 printing and paper workers' unions with a membership of 9,890; 8 distributive workers' unions with a membership of 6,733; 8 non-manual workers' unions with a membership of 3,494; 2 unions each of



Of the 191 unions, 61 are in Bengal, 33 in Bombay, 25 in Madras, 14 in U.P., 11 each in C.P. and the Punjab, 10 in Sind, 8 in Bihar, 7 in Indian States, 3 in Delhi and 4 in Assam.

Consultations by Government and Collaboration in Tripartite Labour Conference.- During the period under report, the Department of Labour of the Government of India consulted the A.I.T.U.C. on various matters, regarding both labour policy and labour legislation. The invitation of the Government to send representatives to the Tripartite Labour Conference was accepted by the Working Committee of the Congress on 15-7-1942. The A.I.T.U.C. was accorded representation in the Tripartite Conference and the Standing Labour Committee created by it.

Grievances of Workers in War Zones.- In spite of efforts made by Trade Unionists to encourage the worker to continue in duty during periods of emergency, workers in essential services were compelled to discontinue work, because of neglect by Government and the employer, of their primary necessities. Employees of the Calcutta Corporation, Tramwaymen in Calcutta, Calcutta Electric Workers, Calcutta Steel Workers, Bengal-Assam Railway Workers and B.N. Railwaymen have all been protesting that their primary needs were not satisfied and many of these were forced to resort to direct action even during the period of air raids to get their grievances redressed. One special reason for labour discontent was mass unemployment due to shortage of wagons for coal. In India, for various reasons, the scope for the workers' movement is very much limited. The energies of affiliated unions have been mostly exhausted in putting forward the workers' demands for adequate dearness allowance and supply of food. With respect to this demand of the workers, the argument has been advanced by employers and the Government that increased dearness allowance would lead to inflation in the country. Trade unionists urged at the Tripartite Meeting and on other occasions that this is not a sound argument, as the industrial wages' bill in India is an insignificant fraction of the national expenditure, which is almost entirely controlled by Government and the capitalists of the country.

Working of War Ordinances. - Under the National Service Technical Personnel Ordinance, the workers' right to improve his prospect, by leaving one job to take a more lucrative one is taken away without being adequately compensated by being given sufficiently improved conditions than he was previously getting. A suggestion made to Government to appoint Advisory Committees to National Service Tribunals has not been brought into operation. In industries, covered by the Essential Service Ordinance, under which the Government has taken powers to regulate conditions on their own initiative, no steps have generally been taken to provide proper conditions unless the workers had gone on strikes or threatened strikes. Regarding the provision of compulsory adjudication of a trade dispute under Rule 81A of the Defence of India Act, Government has generally shown reluctance to take action, unless a strike has actually taken place. Regarding the actual working of these various ordinances, it has been found that the procedure is so dilatory that it does not provide prompt satisfaction to provide workers a fair deal. The adjudication machinery, for which the procedure of conciliation as prescribed, has actually come into operation in the manner prevalent in ordinary legal disputes, has been found unsuitable to the solution of deadlocks in industry. Lastly, in prosecutions under the Essential Services Ordinance, while employers have been able to take action on workers for leaving their jobs without a reasonable cause, workers have not been able to prosecute employers for peremptory dismissals, because of lack of adequate procedure.

Resolutions.- The A.I.T.U.C. adopted in all 26 resolutions; a summary of the more important of them are given below:-

1. Indians in South Africa.- The A.I.T.U.C. condemned the action of the South African Government in introducing legislation of a racially discriminating character against Indians settled in that country; as also ~~the~~ restrictions on the trading and occupational rights of Indians and ~~the~~ ignoring the representations of the Government and the people of India.

2. Dearness Allowance.- The Congress viewed with grave concern the rapid rise in the cost of living which has enormously depressed real wages and the workers' standard of living to the point of starvation, and strongly protested against the failure of employers, including Government, to fully compensate the workers against the increased cost of living. The dearness allowance, whenever it was sanctioned, was without exception totally inadequate. Large sections of workers still get no dearness allowance whatsoever. In almost all cases, the dearness allowance was secured only after a strike or strong pressure, both the employer and Government failing to do justice to the workers of their own accord. The Congress therefore urged upon the Government to take requisite steps to secure to workers in all industries dearness allowance which will at least cover the actual rise in the cost of living since the outbreak of the War, that in the policy of determining the scale of dearness allowance the pre-war level of real wages, which in itself was very low, should not be allowed to deteriorate and that the scale of dearness allowance should be made automatically adjustable to price fluctuations from month to month and should be paid in cash.

Rationing.- The A.I.T.U.C. while it fully supported rationing, especially in big cities, and demanded its immediate introduction, and strongly objected to Government's rationing principles which, it declared, will defeat the main object of rationing, namely, securing even distribution of food for all, irrespective of their social status, and the minimum quantity necessary for work and production. Fixing of arbitrary quantities as rations, without regard to the needs of health and efficiency in work will only mean legalised starvation and lead to breakdown of rationing. Rationing without control of prices and without bringing down present high prices will be reduced to a farce; the poorer sections will not be able to buy even the rationed quantity. The price must be such as to bring at least the ration quantity within easy reach of people. There is much room for corruption in rationing and unless people's co-operation is secured, any rationing scheme might fall through sheer corruption, after inflicting starvation on hundreds. The Congress is strongly of the opinion that the main distribution agency should be the small retail shopkeeper. The A.I.T.U.C. therefore demanded (1) that quantities of rationed articles be fixed after taking into consideration the minimum physical needs of the people; (2) that reasonable prices bringing food within easy reach of everybody should be established and prices of food grains be pegged at this level; (3) that people's food committees should be recognised by Government to exercise supervision over rationing; and (4) that the small trader with fixed number of customers be made the main distributive agency. As regards the food situation, the A.I.T.U.C. demanded (1) control on the movement and the distribution of stocks through peoples' Food Committees which can prevent hoarding; (2) assurance of reasonable price to the peasants; (3) scaling down of present excessive prices to bring food within easy reach of the people, and (4) a categorical declaration about pegging of food prices.

4. Railway Workers' Grievances.— The A.I.T.U.C. brought to the notice of the Government of India and the Railway Board the growing discontent amongst railway workers as a result of the policy of the Government of India in refusing to make good the lag between the rise in the cost of living and the real wages by means of inadequate dearness allowance. Where an allowance of Rs.30/- per month would have just compensated for the increased cost of living a meagre allowance ranging from Rs.8 to Rs.16 per month was all that was granted. This policy has already led to spontaneous strikes in a number of railway workshops.

The Congress also strongly condemned the dismissal of thousands of workers on the E.I.R., B.& A.R. and B.N.R. on the charge of their alleged deserting from their posts at the time of ~~the~~ bombings of Calcutta and other places. The A.I.T.U.C. drew the attention of the Government and the employers to the fact that their failure to provide adequate A.R.P. shelter and food supply to the workers and, above all, their failure generally to secure the confidence and co-operation of the people of the country were mainly responsible for the panic and exodus resulting in temporary absence from duties.

5. Textile Workers' Grievances.— The Congress drew the attention of the employers and the Government to the serious discontent prevailing among the textile workers throughout the country, due to the failure of the employers to give adequate dearness allowance, to give bonus payment commensurate with the boom profits enjoyed by the industry, and to provide supplies of cheap foodstuffs to the workers, and their families. Government's acquiescence in the policy of the employers has added to the gravity of the situation.

The fall in the standard of living of the workers, due to rise in prices, insufficient dearness allowance and inadequate supplies of food-stuffs, is further accentuated by the severe fall in the earnings of the great mass of piece-workers due to the character of production having undergone a change from fine to coarser spinning and weaving, and due to the fall in production as for want of good and sufficient stores and materials.

In places where Government has imposed conciliation and adjudication machineries to solve deadlocks in the industry, (as for example the Bombay Industrial Disputes Act), it has failed to see that it functions speedily and impartially. Three years of the working of the Act has proved that it is fully weighted in favour of the employers and gives the workers no relief, and is nothing but an attack on their freedom of action and a hindrance to the growth of trade unions and collective bargaining. The A.I.T.U.C. demands that measure like the Bombay Industrial Disputes Act must be immediately withdrawn or thoroughly overhauled.

The A.I.T.U.C. protested against the continued failure of the government of various provinces to give effect to the recommendations of Inquiry Committees appointed by them where such recommendations tend to improve conditions of work and wages. Under the threat of lockouts from the employers, the Bombay Government has failed to implement the recommendations of the Divatia Committee. The G.P. Government has failed to see that the Jayaratnam Report in the matter of full restoration of wage-cuts is acted upon by the employers.

The A.I.T.U.C. fully supports the demand of the textile workers in the matter of full dearness allowance and bonus payments in cash, adequate and cheap supplies of food, and A.R.P. shelters, an impartial and speedy machinery for settlement of disputes through collective bargaining, 25%

rise in basic wages, protection from victimisation and recognition of trade unions. It calls upon the Governments, Central and Provincial, to prohibit deferment of bonus payments and to give immediate effect to the recommendations of the inquiry committees, improving conditions of work and wages in the industry.

**6. Seamen's Grievances.-** The A.I.T.U.C. drew the attention of the Government of India to the very unsatisfactory conditions of service of Indian seamen and urged them that the following more important demands among others be immediately granted:- (1) that employment should be by strict rotation with a view to eliminating bribery and with a view to ensuring that every seaman gets employment at specific intervals; (2) that a comprehensive scheme of social insurance, especially unemployment insurance, be instituted; (3) that the inordinate delays caused at present in the payment of compensation for war injuries should be eliminated and that immediate steps for early payment be taken; and (4) that proper A.R.P. measures be taken on board ships as well as in the harbours.

The attention of the Government of India was drawn to the fact that questions regarding Indian seamen, who constitute an important section of the Indian working class, are entrusted to the Commerce Department of the Government of India, as a result of which, problems concerning seamen are not included in the agenda for the meetings of the Tripartite Labour Conference and the Standing Labour Committee which are convened by the Labour Department. Thus questions pertaining to seamen were very much neglected and the representatives of labour are denied the opportunity of discussing these problems with the Government of India. The A.I.T.U.C. therefore strongly urged upon the Government of India the necessity of including questions regarding Indian seamen on the agenda of the meetings of the Tripartite Labour Conference and the Standing Labour Committee and was of the opinion that this should be done without any further delay, in view of the fact that a number of new problems concerning seamen have arisen as a result of the outbreak of the war.

**7. Grievances of Jute Workers.-** The Congress expressed dissatisfaction with the inadequacy of ~~dearness~~ <sup>dearness</sup> allowance to jute workers of B Bengal and declared that the prevailing scheme of Rs. 5/- dearness allowance per mensem and 5 seers of cheap rice per head per week is quite inadequate to compensate for the increased cost of living. Such conditions find no parallel in any other major industry and can only undermine the workers' morale and capacity to carry on production.

**8. Grievances of Khewra Salt Miners.-** The Congress urged upon the Government to concede the following demands of the Khewra Salt Miners:- (1) that the rate of wages be doubled, (2) that all necessary stores such as nails, magazines, powder, etc. be provided by the authorities in sufficient quantity, (3) that proper weightment of miners' production on which he is paid be ensured, (4) that dearness allowance to meet the full rise in the cost of living be given and that immediately the miners be put at least on the same level as the railway workers, in the matter of dearness allowance rates, and (5) that the advances made to the miners for rebuilding of their quarters in New Khewra be written off.

**9. Grievances of Tea Plantation Workers.-** The Congress drew the attention of the Government to the miserable condition under which about a million of tea garden labourers of Assam and other parts of India are living. The average monthly earning of a tea garden labourer in Assam is not more than Rs. 6/- with no adequate provision to meet the rise in the cost of living which has gone up enormously, in an area where bombing

raids are taking place, and hundreds of workers have been killed. Food scarcity also is very acute in the area, and no adequate arrangement has been made for supply of food to the workers. The A.I.T.U.C. condemned the policy of the Assam Government and the India Tea Association which are imposing severe restrictions on the workers' rights of organisation, free association and all other normal trade union rights. Membership of trade unions is being punished by the planters who expel the labourers for joining their union and thus forcing the tea garden workers to live in abject conditions of slave labour. The session therefore demanded (1) full right of the workers to hold meetings and organise themselves in their own unions and removal of restrictions upon trade union workers; (2) adequate increment in basic wages and dearness allowance to cover the cost of living; and (3) cheap supply of food. The A.I.T.U.C. urged the Government to appoint a committee to inquire into conditions of life and work in plantations in Assam and other parts of India.

10. Grievances of workers in Printing Industry.- A resolution was adopted urging early action to improve the paper situation in the country as a result of which a large number of workers in the printing industry are unemployed.

11. Reinstatement of Digboi Petroleum Workers.- One of the resolutions condemned the action taken by the Government to suppress a perfectly lawful strike in the Digboi Petroleum Works and expelled several thousands of workers by written or unwritten orders, while the long-drawn dispute was still under Government enquiry. and the then Assam Ministry, was publicly committed to enforce the decision of the Conciliation Board upon the Assam Oil Company, by immediate legislation. ~~Therewith~~

12. Grievances of "Bidi" workers.- The Congress noted the deterioration in the conditions of the Bidi and Tobacco workers all over the country, ever since the outbreak of the war. While the cost of living has been steeply rising, the bidi workers have secured almost no dearness allowance to compensate it, and where they have succeeded in getting some dearness allowance, such as in parts of Madras and Bombay Presidency, such dearness allowance, hardly amounting to 10%, has been inadequate to meet the increased cost of living. The employers on the other hand have taken advantage of the situation to increase their profits at the expense of the people and the workers. The A.I.T.U.C. welcomed the recent awakening among the bidi workers, and the formation of trade unions by them throughout the country. The resolution demanded that the Government should immediately apply the Factories Act to all bidi factories employing 10 or more workers.

13. Conditions of Work of Primary School Teachers.- The A.I.T.U.C. deplored the attitude of the Government of India in not implementing the recommendations of the Sergeant Committee, appointed by the Central Government, regarding salaries and working conditions of Primary School Teachers, and urged that these recommendations should be implemented without further delay. ~~Therewith~~ The opinion was also expressed that dearness allowance that is at present given to Primary teachers is totally inadequate. The attitude of those municipalities which have shown reluctance to sanction even that scale of dearness allowance which is recommended by Government was condemned. It was urged therefore that Government should make such recommendations binding on municipalities and Local Boards. The A.I.T.U.C. called upon all Primary School Teachers to organise themselves on trade union lines.

14. Condemnation of Baroda Trade Unions Act.- A resolution was adopted condemning the attack of the Baroda State Government on the fundamental right of the workers and their trade unions in the State to associate and unite with workers in other parts of the country, in as much as the State prohibits under its law trade unions seeking affiliation to the A.I.T.U.C. The A.I.T.U.C. also condemned the legislation of the State requiring six weeks' notice before the workers could resort to strike as clearly calculated to strengthen the employers' organisation against effective action of the workers in defence of their rights and for betterment of their conditions of work.

The repressive measures against trade unions and their leaders in Travancore and Cochin were also condemned.

15. Sickness Insurance.- The Congress considered the scope of the sickness insurance scheme which is being organised as extremely narrow, and suggested that the scheme should be made applicable to all industries in India, including the Indian States. The A.I.T.U.C. further suggested that along with employers and the workers, Government should also be a contributor to the insurance fund.

16. Tripartite Conference.- The Congress, while welcoming the establishment by the Government of India of the Tripartite Conference and the Standing Labour Committee, suggested to the Government of India that, instead of treating the decisions of the Conference and the Standing Labour Committee as merely advisory, the Government of India and the Provincial Governments should accept the obligation of taking steps towards giving effect to the decisions of these Bodies. The A.I.T.U.C. also urged upon the Provincial Governments to start immediately similar organisations in their respective provinces.

(Summarised from the advance copy of Report and text of resolutions sent to this Office by the General Secretary, AITUC).

29

General.  
Social Policy in Wartime.

Wages.

Revised Scheme of Dearness Allowance for  
Travancore Government Employees.

The Government of Travancore has sanctioned revision of the existing limit up to which dearness allowance is granted in the State so as to bring employees on somewhat higher pay also within its scope. Under the scheme which will be in force for the duration of the war, the scope of the dearness allowance has been extended to employees drawing pay or salary up to Rs. 50 per mensem, the existing rate of allowance being continued in the case of employees drawing Rs. 20 monthly and below and the rate being fixed at Rs. 3 per mensem in the case of employees drawing above Rs. 20 per mensem but not above Rs. 50. In the case of employees drawing pay or salary above Rs. 50 but not above Rs. 53 monthly, they may be granted such sum as allowance as would make the total emoluments equal to Rs. 53 per mensem.

The Indian Review, May 1943 issue.

Control Measures.

New Basis of Assessment of Excess Profit Tax:  
Ordinance issued by Government.

On 17-5-1943 the Governor General promulgated the Excess Profits Tax Ordinance, 1943, the main object of which is to draw into the Government coffers all except  $\frac{1}{3}$  of excess profits. The Ordinance, firstly, introduces a system of summary assessment of EPT. The idea is that as soon as an assessee's accounts are made up, the EPT authorities will approach him on a commonsense basis, and on the basis of his own published accounts will endeavour to agree with him on the extent of excess profits, leaving out all controversy about disputed items. On the agreed amount so determined a demand for EPT will issue and the amount will be collected. It is anticipated that this will lead to very large sums being immediately withdrawn from circulation, and brought into Government coffers. At present large amounts remain to be collected and in the last Assembly session an estimate was made that the amount of EPT outstanding in Bombay alone was Rs. 750 millions. That was not really an estimate of the amount due to Government at that time, because until the many processes of the EPT operations were completed, an assessee was not liable to make any payment. On the basis of the Bombay estimate Rs. 1000 millions for the whole of India is not considered an excessive estimate.

The summary assessment will be made by the income-tax officer to the best of his judgment, but in order to protect the assessee against an unduly high estimate, a safeguard has been provided. If, when the regular assessment is made, it is found that a refund is due to the assessee, not only the excess will be refunded, but also interest on it at 5% per annum which may be regarded as a penal rate against Government and therefore a guarantee to the assessee against the summary procedure being used to his disadvantage.

Compulsory Deposit. The second feature of the ordinance is a provision for compulsory deposit based on the existing optional system under which an assessee, if he so chooses, can, after he has been assessed to EPT, deposit a further sum not exceeding one-fifth of the EPT, and the



Government thereupon puts aside for his benefit a sum equal to one-tenth of the tax. Under the ordinance the deposit of a sum at the maximum rate of one-fifth will be compulsory for all EPT assesses. The present position is that  $66\frac{2}{3}$  per cent is levied as EPT and  $13\frac{1}{3}$  per cent as income-tax and ~~an~~ supertax. The State thus takes 80 per cent. of the profits. The object now is to immobilize as much as possible the remaining 20%. Under the Ordinance  $13\frac{1}{3}$  per cent. of this 20 per cent. will be compulsorily deposited with Government, leaving to the assessee  $6\frac{2}{3}$  per cent. excess profits to be used for distribution of dividends or current consumption. Of the  $93\frac{1}{3}$  per cent. which will thus be taken by Government 20 per cent will be held for the assessee's benefit,  $13\frac{1}{3}$  percent representing his own money which he will be able to withdraw within 12 months of the termination of hostilities or two years from the payment of the deposit whichever is later. On that money he gets 2% interest. He is in addition entitled to  $6\frac{2}{3}\%$  which Government is putting into the fund for ~~in~~ his benefit. That will be released in accordance with rules which have been framed in consultation with the reconstruction committee.

The purpose of these rules is that Government's contributions will be released within three years of the end of the war or earlier if the ~~an~~ assessee is able to establish a claim for advantageous use of the money at an earlier stage.

Limiting Bonus.- Besides these two main features, the Ordinance contains two other provisions. It takes power to make rules to prescribe the amount of bonuses and commissions which will be admissible for income-tax purposes. At present, it is pointed out, distribution of ~~business~~ bonuses takes place largely at the expense of the exchequer. It is important in the Finance Member's view, that some rational control of the distribution of bonuses and commissions should be established. It is intended that, before actually prescribing what those bonuses should be, commercial organisations and interests affected will be consulted.

Limit to stocks for purposes of Income-tax.- The Ordinance also gives power to prescribe what stocks shall be deemed reasonable for income-tax purposes. At present it is possible for an assessee to hold very large stocks of raw materials or stores, and he actually derives an advantage in respect of tax by increasing the amount of his capital so invested. In normal times there is no necessity to attempt to control that, but at present there is the danger that even manufacturing concerns may hold such large stocks as would amount to hoarding and may ~~and~~ cause shortage and force up prices ~~as far~~ of these raw materials or stores. In so far as present taxation arrangements actually assist or encourage that process, ~~in~~ that assistance or encouragement will be withdrawn.

Object of Ordinance.- Sir Jeremy Raisman, Finance Member, Government of India, explaining the reasons for issuing the Ordinance, said that the present situation in India called for emergency action, that the excess purchasing power including tax due to the Government which was now out, required to be reduced drastically as soon as possible, and that for administrative reasons, this was the time of the year when the income-tax department was most free to take on this additional work. The position of the Indian States in this connection was also under consideration. Explaining the beneficent effects of the Ordinance on the currency in circulation, Sir Jeremy said that the ~~maximum~~ extent that money came into Government's coffers, the amount of money that Government sent out into circulation would be reduced. If Rs. 1000 millions came in under the summary assessment proposal, Rs. 1000 million less of new money would need to be circulated.

Comments of the Hindu.- The Hindu, in its issue dated 19-5-1943,



made the following editorial comments on the Ordinance:-

One or two provisions of this Ordinance may perhaps be considered not open to serious exception. There can, for instance, be no hardship in the Government calling upon the assesses to pay, before the assessment is completed, the tax due to the Government in any particular year according to the assesses' own books and on the basis of accounts made up by them. Nor will impartial observers object to control over the amount of bonuses and commissions granted by business undertakings wherever they are found to be making not bona fide payments, but merely book adjustments calculated to ~~maximise~~ ~~this~~ deprive the Exchequer of what is properly due to it. We are glad to note that the rules governing such control are to be framed only after the interests affected have been duly consulted.

There is one real danger in such control. In the process of control, the authorities may arrogate to themselves the right to lay down what the quantum may be of the bonus or commission and to whom it may be given. Bonuses and commissions represent the value of the services rendered by the recipient to the business undertaking, and the only authority which can rightly evaluate the monetary worth of such service is the beneficiary thereof, namely, the management of the business, not the Income-tax Officer. Already there are complaints that income-tax authorities interpret even their existing powers virtually so as to determine the scale of salary appropriate in particular cases and the scale of promotions to be given.

The right which the Government have taken to control the level of stocks in a particular industry may hold is open to even more serious objection. This level must vary with different industries with the same industries in different localities, near to or away from sources of raw materials, with the ever changing conditions in transport facilities, the state of the markets and, not seldom, the degree and efficiency of cooperation extended by the Governmental authorities in respect of articles subject to Government control. Restrictions on stocks are calculated to result in manufacturers refusing to make firm offers concerning deliveries and prices and thereby adding to production costs and prices.

The provision calling for compulsory deposits of a portion of the excess profits now left with the assesses can, as a borrowing device, be neither productive nor equitable. As a method of insisting on war industries laying by reserves, it is bound to prove woefully inadequate. It is no answer to the industry's claim such as the F.B.I. has made in Britain for greater consideration for reconstruction reserves. Have the Government exhausted all other and better methods of raising funds that they should resort to this expedient? However, once it is granted that the raising of discriminatory compulsory loans is justified, many may agree that it is better than resort to currency expansion.

Control MeasuresThe Bombay Foodgrains (Movement Control) Order, 1943

The Government of Bombay has, under the Defence of India Rules, issued on 12-5-1943, the Bombay Foodgrains (Movement Control) Order, 1943, prohibiting export, to any Indian province or State, of the following foodgrains and their products from the Province except with a permit issued by the Supply Commissioner: wheat, rice, jowar, kajri, gram, barley and maize.

(The Bombay Government Gazette Extraordinary dated 12-5-1943.)

Madras Ban on Export of Fish Meal

The Government of Madras has, under the Defence of India Rules, issued on 13-4-1943, an order under which no person is to export fish meal, fish guano, bone super and bone meal from the province except in accordance with the terms of a permit issued by the Director of Agriculture, Madras.

(The Port St. George Gazette, Part I, dated 18-5-1943, p. 532.)

The United Provinces Cotton Piecegoods (Futures and Options Prohibition) Order, 1943.

The Government of the United Provinces has, under the Defence of India Rules, issued on 18-5-1943, the United Provinces Cotton Piecegoods (Futures and Options Prohibition) Order, 1943, under which no person is to (a) enter into any "futures in cotton piecegoods" or pay or receive or agree to pay or receive any margin relating to any such futures; or (b) enter into any options in cotton piecegoods. Contraventions of the order are punishable with imprisonment for a term of three years, or fine not exceeding Rs. 1,000, or both.

(The United Provinces Gazette Extraordinary dated 18-5-1943.)

The Central Provinces Food Grains Export Restrictions Order, 1943.

The Government of the Central Provinces has, under the Defence of India Rules, issued on 20-5-1943, the Grains Export Restrictions Order, 1943, prohibiting, with certain exceptions, export from the province of rice, wheat, jowar, gram, pulses and barley and their products.

(The C.P. and Berar Gazette, Part I dated 28-5-1943, p.282.)

The Orissa Paper Control Order, 1943

The Government of Orissa has, under the Defence of India Rules, issued on 26-5-1943, the Orissa Paper Control Order, 1943, under which no person may carry on business as a dealer in paper except under the authority of and in accordance with, the terms and conditions of a licence issued by a licencing authority. Profiteers and those who have not been dealing in paper for at least one year on the date

er will not be entitled to licence. All transactions in  
will be controlled by District Magistrates.

(The Orissa Gazette, part III dated  
28-5-1943, page 165.)

The Punjab Sulphur and Chlorates Control Order, 1943

The Government of the Punjab has, under the Defence of India Rules, issued on 26-5-1943, the sulphur and chlorates Control Order, 1943, under which the purchase, stocking, sale and transport of ~~any~~ sulphur and chlorates (including sodium chlorate, potassium chlorate, other salts of chloric acid, etc.) are to be carried on only under licence.

(The Punjab Gazette dated 28-5-1943,  
part I, pp. 353-354.)

The Oil-seeds (Forward Contracts Prohibition) Order, 1943

The Government of India has, under the Defence of India Rules, issued on 29-5-1943, the Oil-seeds (Forward Contracts Prohibition) Order, 1943, under which no person may, after 31-5-1943, enter into any forward contract in oil seeds. Outstanding contracts will be settled at prices fixed by Government. The seeds covered by the Order are: groundnut, linseed, mustard seed and rapeseed.

(The Gazette of India Extraordinary  
dated 29-5-1943, p. ~~356~~ 360.)

Prohibition of Forward Contracts and Options in Bullion

The Government of India has, on 29-5-1943, notified an amendment to the Defence of India Rules according to which no person may enter into any forward contract or option in gold and silver bullion. Any one contravening this provision is punishable with imprisonment for a term which may extend to five years or with fine or with both.

(The Gazette of India Extraordinary  
dated 29-5-1943, p. 361).

The Starch Control Order, 1943

The Government of India has, under the Defence of India Rules, promulgated, on 15-5-1943, the Starch Control Order, 1943, under which no person may use ~~wheat~~ <sup>wheat</sup> in any form for the manufacture of starch except with the permission in writing of the Starch Controller and in accordance with such terms as may be laid down by him in this behalf. The purchase and sale of starch also are controlled by the Controller.

(The Gazette of India, Part I,  
dated 15-5-1943, pages 489-490.)

The Ring Traveller Control Order, 1943

The Government of India has, under the Defence of India Rules, promulgated the Ring Traveller Control Order, 1943, under which the purchase, disposal and sale of all types of ring travellers used in the textile industry, other than jute and hemp, are to be brought under the control of the Deputy Director-General, Cotton Textiles, Bombay. (The Gazette of India, Part I, dated 22-5-1943, p. 542.)

The Bevin Training Scheme:  
Higher Pay and other Advantages of Returned Trainees.

Higher Pay: 227 per cent. increase.- According to an unofficial note dated 25-5-1943 issued by the Principal Information Officer, Government of India, of the 354 men sent to England under the Bevin Training Scheme, 203 have returned to India and a large number of these men have secured employment in the various technical branches of civil and defence industries. Four Bevin Boys, whose previous salaries were Rs. 40 and Rs. 70 per month, are now commissioned officers in the corps of Indian Engineers on a starting salary of Rs. 445 per month. Of the returned trainees, 154 are holding supervisory jobs in ordnance factories or private industrial concerns, on salaries ranging from Rs. 75 to Rs. 385 per month. Fifteen technicians, trained under the Bevin Scheme, are employed as instructors in training centres under the ~~Technical~~ Technical Training Scheme, while 16 hold technical posts in the army, and four have been absorbed in industry as skilled workers. It is pointed out that whereas some time back the figures for the average increase in the earnings of returned Bevin Boys stood at 165 per cent, at present they are earning, on an average, 227 per cent. more than what they were earning before going to England; and this percentage rises with the growing appreciation for the value of the men's training and with steady increments in their salaries after appointment.

Experience in Trade Unionism.- All these men are between the ages of 20 and 30 years. They are mostly drawn from the working classes of India for whose benefit the scheme was originally initiated by Mr. Bevin, the British Minister for Labour. As batches of Bevin Boys return to India from time to time, a new type of enlightened working class is coming into existence in the country. For, these men, during their stay in England, not only received training in specialised engineering trades, but also acquired an appreciation of the principles of trade unionism and merits of industrial organisation. Side by side with the men trained under the Technical Training Scheme, the returned Bevin Boys are providing a nucleus of skilled workers who are furthering the war effort as well as the industrial progress of India.

Training period extended from 6 to 8 months.- The Bevin Boys who have so far returned to India had to undergo intensive training in the United Kingdom for a period of six months as was originally laid down in the Scheme. As a result of requests from returned trainees and certain employers, this training period has recently been extended from 6 to 8 months; and the new arrangement applies to the sixth and all subsequent batches of trainees.

(unofficial note dated 25-5-1943 issued  
by the Principal Information Officer,  
Government of India.)

Madras Joins Standard Cloth Scheme:  
Adequate Protection for Handloom Weavers Assured

Cancelling its previous decision not to join the all-India standard cloth scheme (reported at page 36 of our Report for December 1942), the Government of Madras has now ~~just~~ decided to join the scheme so as to meet the present shortage of cloth in the province. The per capita consumption of cloth in the province is 17 yards as against the nine yards available at present. The Government feels that if it stands out of the scheme it will be depriving the province of the cloth necessary to meet the present shortage. In view of the wide gap between the demand and supply, it is felt that the introduction of the scheme will not adversely affect the handloom weavers of the presidency. The Government, however, proposes to review the working of the scheme from time to time so as to ensure that the handloom weavers are not put out of work and that there is no repetition of the ~~occurrence~~ <sup>experience</sup> of 1941 when the Government had to undertake relief measures to enable the handloom weavers to tide over a period of acute depression.

Arrangements are under consideration for the distribution of the standard cloth. A provincial committee will be appointed to advise the Government on the question of ~~the~~ distribution and on all matters pertaining to the scheme. The quota of standard cloth allotted to the province for the quarter April-June, 1943, is 18,900,000 yards. It is expected to be put on the market about the middle of June, 1943.

Arrangements are also proceeding apace for production of cheap cloth through approved co-operative weaving organisations in the districts. There are already six organisations with 1,200 looms and six more with about the same number of looms are being brought into existence. Yarn will be supplied to them by the Government at panel prices; and the Yarn Commissioner expects to make various types of cheap cloth, dhoti, saree, shirting, etc., available for sale in a couple of weeks. These will bear distinguishing marks and steps will be taken under the Defence of India Rules to prevent abuse and profiteering. It is expected the price of textile goods will be stabilized with the introduction of cheap handloom cloth in the market.

(The Hindustan Times, 8-5-1943,  
and the Hindu dated 16-5-1943.)

The Cotton (Forward Contracts in Current Crops Prohibition)  
Order, 1943.

The Government of India has, under the Defence of India Rules, issued, on 19-5-1943, the Cotton (Forward Contracts in Current Crops Prohibition) Order, 1943, according to which no person may, after 20-5-1943, enter into any forward contract in respect of current crops. Every contract outstanding at the close of business on 20-5-1943 will be deemed to be closed out at such rate as the Central Government may fix by official notification.

(The Gazette of India Extraordinary  
dated 19-5-1943, p. 347.)

Production.Cheap Cloth Scheme for Middle-Class Population  
of Bombay City: 36 yards Cloth Ration per Head.

A scheme for meeting the clothing requirements of the middle-class population of Bombay City at cheap prices will be given effect to by the Government of Bombay in co-operation with the Millowners' Association, Bombay, at an early date. It is learnt that everybody will be entitled to have about 36 yards of cloth for the year and will be issued a ration card for the purpose. The cloth will be slightly better in quality than standard cloth and will be priced at rates substantially lower than the prevailing market rates. The authorities are engaged in giving the finishing touches to the scheme.

The scheme will be in addition to the standard cloth scheme which caters to the need of the poorer sections of the population.

(Times of India, 19-5-1943).

Regulation of Production of Cloths:  
Government's New Scheme discussed at Meeting of Standard  
Cloth Panel held on 1-6-1943.

A scheme for the regulation and rationalisation of production and distribution of cloth in the country, as contemplated by the Government of India, was placed by Mr. M.S.A. Hydari, Secretary, Department of Industries and Civil Supplies, at a meeting of the Standard Cloth Panel held at Bombay on 1-6-1943.

New Proposals.- The standard cloth scheme, Mr. Hydari pointed out, had so far failed to provide cloth either in substantial quantities or at constant and low price. The problem was to remove the hardship of the consumer and ensure the stability of the textile industry. It was proposed to arrange for the production of about 2,000 million yards of standard cloth within the next 12 months and to allocate it to the provinces and the Indian States on the basis of population, for being sold at a uniform price. Besides the standard cloth, other varieties and the maximum prices thereof would be fixed. Steps are to be taken to ensure that cloth and yarn placed on the market would keep moving and to prevent manufacturers and merchants from hoarding. All the measures contemplated under the scheme would be adopted with the utmost possible speed.

It is further proposed that standard cloth should be sold at a uniform price all over India. This price will, for the present, be arrived at by adding  $\frac{3}{4}$  per cent. to the ex-mill price of the cloth. Every province or State will receive standard cloth at the railway centres indicated by it at a uniform price, which will be made up of the ex-mill price plus  $1\frac{3}{4}$  per cent. To this the province or the State will add  $4\frac{1}{2}$  % of the ex-mill price in order to arrive at the retail selling price. The manner in which the  $4\frac{1}{2}$  % should be absorbed is a matter for the provincial or State Government to decide. It is proposed to stabilise the price of standard cloth at a reasonable level. In arriving at its conclusions in regard to standard cloth the Government of India was impressed by the fact that in present conditions it was not sufficient to stop at the provision of 2,000 million yards of standard cloth in 12 months; and that its proposals in regard to standard cloth would not by themselves provide a solution to the present unsatisfactory condition of affairs. In the

position in which both the industry and consumer find themselves today there is no escaping the conclusion that the only effective remedy lies in the establishment of control designed to regulate prices of cloth and yarn and to increase their production. The Government of India has therefore decided to establish such control as soon as it can set up the necessary machinery of control.

**Control of Price.-** The scheme of fixation of maximum selling prices involves the fixation of two sets of prices: maximum prices ex-mills and maximum prices for retail sales. To avoid the middleman and the retailer making undue profits, it has been decided to adopt a suggestion by the industry that the retail prices should be stamped on the cloth. The margin between the ex-mills and retail prices should be wide enough to provide adequate remuneration for such middlemen as actually perform the necessary function of linking the manufacturer with the retailer. The effect of thus pegging these prices will be to force the retailer to buy from the wholesale dealer only at a price which will enable him to make a reasonable margin of profit within the maximum retail price; the wholesale dealer will only buy from a mill at a price which will enable him to sell at a profit to the retailer; the mill will only buy cotton at a price that will enable it to show a reasonable margin of profit on the price realised from the wholesale dealer. With the complementary control of prices of yarn it will be necessary to regulate also the maximum selling prices for handloom products. Supplies of yarn at special low rates can only be procured if there is some assurance that handloom weavers will charge prices for their products which bear a reasonable relation to prices at which yarn is supplied to them. This is a question which is to be considered at an early date.

It is clearly important to ensure that the prices of raw cotton should not fluctuate violently. The indirect check imposed by the fixation of ceiling prices of cloth and yarn may perhaps not be decisive in itself; but it has already been supplemented by measures which have recently been introduced to control cotton trading in organised markets. In a communique recently issued by the Department of Industries and Civil Supplies those concerned were warned against making their purchases of cotton on a basis exceeding the "Jarilla" contract price of Rs. 550. In order to ensure that the cultivator is treated fairly, Government will be prepared to buy up cotton on their own account if prices fall below a level which they consider to be fair. Similarly, Government, having warned the millowners against making purchases at prices which do not correspond to the Jarilla contract price of Rs. 550 and being determined to maintain prices of cloth required within the ceilings to be fixed, consider itself bound to ensure that millowners receive their requirements of cotton; and in order to secure this, it will be prepared, if necessary, to requisition cotton by whomsoever held at the maximum basic price of Rs. 550.

**Textile Exports.-** The proposed control, Mr. Hydari explained, will also help India to export appreciable quantities of cotton cloth of guaranteed qualities and at reasonable prices to her neighbours. There is at the present moment a great shortage of cotton piecegoods in most countries East and South of Suez. To the middlemen concerned with the export trade this is a golden opportunity, but while to him it is only a question of high profits, to the Indian cotton industry these operations are earning an unenviable reputation. This is the more unfortunate inasmuch as these markets continue to receive from the United Kingdom cloth of superior quality, although in small quantities at very much lower prices. From a long range point of view the problem connected with the retention, if not the extension, of the export market is of considerable importance to the Indian textile industry; and it is the Government's hope that the control

organisation

will take up this question at an early stage of its activities. The

**Control Organisation.**— The essentials of the scheme of control are:—  
 (1) Regulation and rationalisation of production and (2) Fixation of maximum ceiling prices for cloth and yarns. As a corollary to these, it is proposed to impose control over the prices and distribution of fuel and mill stores and also over cotton. The control organisation proposed will be under two officers styled the Textile Commissioner and the Additional Textile Commissioner. The Textile Commissioner and his colleagues will be assisted by an Advisory Board having on it representatives of the industry, of labour, of the East India Cotton Association, of the Indian Central Cotton Committee, of merchants, handloom interests and transport, up to a total not exceeding 20. The Textile Commissioner will act in consultation with this Advisory Board and in case of disagreement will refer the point at issue to the Government of India, in the Industries and Civil Supplies Department for decision. The Advisory Board will constitute from among its members committees of the Board to deal with specific matters, such as rationalisation and price control; Cloth and yarn movements, mill stores; fixation of prices and specification of standard cloth; for the supply of cloth yarn and sewing threads required to meet military demands; and to deal with the case of fine yarn mills.

**Some Problems arising out of Control.**— Mr. Hydari also referred to some of the problems arising from control. At present some of the mills are already working three shifts of 7½ hours and 7 days a week, some double shift for six days, and some less than a full double shift. It is desirable that as many mills as can possibly manage to do so should be organised to work three shifts of 7½ hours, 7 days a week, less, say, 25 mill holidays in a year. It will be necessary to examine very carefully the resources of each mill, so that the maximum capacity of each mill is utilised to the best advantage. It is realised, of course, that multiple shift working involves a heavy strain on machinery, and consideration will have to be given to the problem of making satisfactory provision in respect of depreciation rates to cover the greater wear and tear, and so to make possible rehabilitation after the war.

To increase the output of the industry from its available resources it will be necessary to introduce some degree of limitation of types of cloth which may be made. For this purpose it will be necessary to draw up ~~various~~ schedules of counts which may be spun, from which each mill may select a limited number, and a schedule of cloths with maximum and minimum reed and pick, based on the yarn schedule, which mills will be permitted to weave.

**Prevention of Hoarding.**— Finally, steps are to be taken to ensure that cloth and yarn which are placed on the market keep moving and that no one whether manufacturer or merchant, is able to keep stocks beyond a reasonable limit for longer than a fixed period of time. As a check of this it is proposed to adopt another suggestion emanating from the industry that the date of manufacture be stamped on each piece of cloth. It follows that these steps will be supplemented by measures designed to bring on the retail market all existing stocks wherever held both of cloth and yarn immediately.

**Reactions of Textile Industry to Government Scheme.**— The reaction of the cotton mill industry to the Central Government's scheme is not, on the whole, favourable. It is inclined to think that the laudable objects will not be achieved by the scheme owing to practical difficulties. It is, for instance, pointed out that the mills cannot run three shifts owing to shortage of skilled labour, while practical difficulties connected with the supply of raw cotton and mill stores at controlled prices will interfere



with the normal output and encourage the growth of black markets all over the country. The general impression is that the Government of India intend to undertake great responsibility especially at a time when it has not been found possible to take full delivery of even the meagre quantity of standard cloth manufactured by the mills. The industry is also perplexed over Government's intention to regulate the prices of cloth meant for the overseas markets.

The Committee of the Millowners' Association, Bombay, discussed the scheme on 1-6-1943 and decided to put forward its point of view before Mr. Hydari on the following day. The meeting was followed by a conference of representatives of the industry from all over India, including the States. At the end of the meeting the following statement was issued:-

"As early as September 1941, the industry advocated to the Government of India a ban on exports which were rising at a feverish speed in order that large quantities might be available for home consumption. Since then, in spite of several reminders and continued advocacy of a substantial reduction in exports, the Government of India not only failed to take any action but permitted still larger exports to the extent of 1,000 million yards compared with 100 million yards, pre-war excluding Burma.

"As early as October 1941, it was the unanimous view of the industry that then was the time to serve the public from whom they earned their living and whom they expected to serve in the future, with the object of bringing about a reduction in the prices of cloth. With that end in view, a scheme was submitted to the Government of India in December 1941, for standard cloth at cheap prices and Government were urged to take active measures in order that the prices may remain within control, but no action was taken by Government. When prices began to rise in June, 1942, a representative of the industry wrote to the Government of India pressing them to take action, but without avail. If prices have risen, the blame cannot now be laid at the door of the millowners of India; the fault lies rather on the large quantity of 1,000 million yards permitted to be exported in the year 1942, which, together with the large requirements of the Defence Services, left only 1,800 million yards for consumption in India. Fortunately, the position has changed in 1943. Production is expected to reach 4,800 million yards, and making allowances for the requirements of the Defence Services and exports, it is anticipated that 3,600 million yards will be left for local consumption, which is practically double the quantity that was available in 1942.

"The millowners of India are not only anxious to see prices reduced but they have constructive proposals, which, if adopted, by the Government of India, would result in substantial reductions both of cloth and yarn prices. Accordingly, it will be easily understood by the public that the millowners do not and never wanted to be in the position of tax gatherers for the Government of India because four-fifths of the assessable profits have to be surrendered to Government".

Decisions of Standard Cloth Panel.- The informal discussions that took place on 3-6-1943 between the representatives of the industry and Mr. M.S.A. Hydari, did not, it is gathered, prove helpful in finding a practical solution to the working of the scheme the Central Government have in mind. The view is being widely held that the scheme will be brought into effect by Government whether the industry likes it or not. It is understood that the Government spokesman did not commit Government during the discussion to anything that would alter the scheme materially. The only point on which the industry agreed with Government was that immediate orders should be issued to penalise the hoarding of stocks of cotton goods either by

manufacturers or traders, both in British India and the Indian. The spokesmen of the industry were unanimous in their opposition scheme sponsored by the Government of India.

A tangible decision of the meeting of the panel was to accelerate immediately the pace of production of standard cloth. Cotton mills will be shortly asked to deliver 1,000 million yards of cloth within a period of six months ending January 31, 1944, or the Indian textile industry will have to place about 40 per cent of its capacity at the disposal of the Standard Cloth Panel.

(The Times of India, 2, 2 and 4-6-1943).

Government's "Grow More Food" Campaign:  
Sir Jogendra Singh Reviews Progress.

The progress achieved by the Government of India's 'Grow More Food' campaign during 1942 and 1943 was reviewed by Sir Jogendra Singh, Member for Education, Health and Lands, Government of India, at a press conference at New Delhi on 7-5-1943.

1942 Results Satisfactory: Nearly 4 Million tons of Food grains Produced.- About the results of the campaign in 1942, he said that it was on the whole satisfactory. There was, compared to 1941-42, an increase in the kharif acreage by over 8.1 million and wheat acreage by 1.8 million. The additional food ~~xxxxxx~~ produced was on a modest estimate 2.875 million tons of kharif crops and 1.04 million tons of wheat. Excepting for the shortage of rice, the statistical position of food grains was satisfactory.

Arrangements for 1943: Two specialists appointed.- Referring to the steps taken in 1943, he said that in the current year, Government is endeavouring to plan production on the basis of the requirements of the country as a whole, estimated by the Food Department. On that basis production targets have been fixed in respect of kharif crops and similar targets will be fixed for rabi crops in due course. Further, it has appointed a Director of Agricultural Production (Food), whose main function is to help the provinces and States to prepare and carry out schemes for all-out production of food crops in their respective areas and to assist them and the Central Government with technical advice. He has completed his first tour of the majority of the provinces and is now touring the Indian States, as a result of which greater attention is being given to the food production drive and many sound schemes are being taken up. The Government is obtaining the services of an irrigation expert, Sir William Stampe, a retired Chief Engineer of the United Provinces, as Irrigation Adviser to examine possibilities of increasing food production by undertaking minor works of irrigation and to advise the provinces in planning such works. He is expected to arrive very soon.

Measures to help cultivators.- "Agriculture", he said, "does not permit of any innovations; so our efforts in achieving or exceeding the targets fixed have to be on traditional lines, such as bringing new lands under cultivation, introducing double-cropping in areas already under the plough, supplying improved seeds and manure at concession rates, constructing and repairing minor irrigation works, raising embankments to conserve moisture, deepening tanks which have silted up and sinking new wells wherever possible." To enable the provinces to carry out such measures, Government has offered them financial assistance and for grants alone, apart from loans, a sum of Rs. 5 million has been provided in the budget. The effort which is being made throughout India to increase production should not, he said, be judged by the assistance which is being given by the Central Government; the provinces are expected to finance all necessary measures themselves."

Cotton Lands brought under food crops.- "Of the increase in acreage under food crops, over 4.7 million acres came by transfer from short-staple cotton. It is essential in the interest of the 'Grow More Food' campaign that this increase should be maintained. Government has, therefore, asked the provinces and States to take such measures as local conditions permit to ensure that the area under short-staple cotton does not exceed that of the last season. Arrangements are made to give grants from the Cotton Fund to enable the

provinces and States to carry out any measures considered by them necessary to achieve the purpose.

Government to make purchases of crops to Prevent slump.- Sir Jogendra Singh referred to the assurance given by the Government of India in 1942 that, if necessary, it would step into the market and purchase foodgrains to prevent a slump in prices. The position has been re-examined by the Government this year, and after a careful consideration of all the issues involved, the assurance has been reiterated. Government trusts that this assurance coupled with other steps which are being taken will safeguard the cultivators' interest by securing for them a reasonable return for their labour.

Central Economic Policy Essential.- In ~~summary~~ conclusion, he pointed out how the food situation has brought the need of central direction in all-India matters to the fore. "India needs a central economic policy and power to enforce common action for common affairs and to prevent provincial competition, leading to economic warfare."

(The Statesman, 9-5-1943, and the Hindustan Times, 10-5-1943.)

Unrestricted Movement of Food Grains in Eastern Provinces:  
Control on Inter-provincial Trade Lifted.

A press communique dated 17-5-1943 issued by the Government of India points out that as the rice situation in North-east India shows little improvement, despite a sufficiency of domestic supplies, the Central Government has decided to remove all restrictions on the free trading of all food-grains and their products in Assam, Bengal, Bihar, Orissa and the Eastern States, except in respect of two minor areas. From 18-5-1943, traders will be free to move and to sell stocks throughout the area and no barriers to free trading will exist. Local administrations are taking parallel action to force stocks into consumption under the Food Grains Control Order.

(The Amrita Bazar Patrika, 19-5-1943.)

Rationing introduced in Bombay City on 2-5-1943

References were made in our April 1943 and earlier reports (See Section "Social Policy in War Time"- Food Policy) to the decision of the Bombay Government to introduce rationing in Bombay City. The scheme as regards food grains such as rice, wheat, hajri and jowar was introduced on 2-5-1943. The total number of Government grain shops in the city is 171, while the number of private establishments authorised to sell the cereals is over 600. About 1,800,000 citizens are affected by the rationing scheme and approximately 514,000 families have received ration cards.

Visitors to Bombay will need no ration cards if they are staying in hotels which have been given supplies on the basis of the average number of customers and can, therefore, arrange to give meals to such persons. Visitors who, however, wish to stay in the city for more than a week have to apply to the rationing officer of the ward in which they intend to reside and they will be given, after due enquiry, temporary ration cards. Every holder of a ration card or member of his household must inform the Rationing Officer of the intended departure of any person included in the rationing card. This intimation need not, however, be given in respect of persons who will be away from Bombay for a period less than a week.

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Rationing will also, it is understood, be introduced in most of the urban areas in Bombay province.

(The Times of India and the Amrita Bazar Patrika, 4-5-1943.)

Food Situation in Bengal:  
Civil Supplies Minister Explains Government Programme.

The outlines of a scheme to tackle the food problems of Bengal Province proposed by the Government of Bengal were explained by Mr. H.S. Surhawardy, Minister of Civil Supplies, at a meeting of prominent members of the Bengal Legislature at Calcutta on 17-5-1943.

The main principle of the programme outlined by Mr. Surhawardy consisted of (1) utilising the resources of the province to the fullest possible extent; (2) liquifying hoarded stock and stopping black-marketing and profiteering in food stocks and essential commodities; (3) ruthless confiscation of stocks in the hands of those who have been defying the law and evading the Food Grains Control Order, (4) equitable distribution of de-hoarded stock among rural and urban areas on some definite plan and (5) getting rid of the panic-complex with the help of and active cooperation of all parties.

It was announced at the conference that the Government of India had realised the seriousness of the situation in Bengal and agreed with immediate effect to withdraw the ban on interprovincial movement of food-grains in the eastern zone including Bengal, Bihar, Assam and Orissa, and some of the eastern States.

It was expected that as a result of this action of the Government of India large supplies from adjoining provinces would pour in and bring immediate relief to this province in respect of both supplies and prices.

Mr. Surhawardy also indicated that the Government intended to organise food supply units, each composed of one or two Union Boards in the rural areas and the wards in Municipal areas, each unit being in charge of one official who would be assisted by a number of villagers or towns-people.

These local food committees are to obtain an inventory of the average stock within the area and arrange their equitable distribution, and where the local stock is insufficient, supply from outside will be arranged on their requisition based on the requirements of each house-holder on a standard basis of consumption.

(The Amrita Bazar Patrika, dated 19-5-43)

The Bengal Residential and Catering Establishments,  
Food and Fuel Enquiries Order, 1943.

The Government of Bengal has, under the Defence of India Rules, promulgated on 12-5-1943, the Bengal Residential and Catering Establishments Food and Fuel Enquiries Order, 1943, with a view to ascertaining the food and fuel requirements of residential and catering establishments. Under the Order, a residential establishment is one which provides residential accommodation and cooked food to boarders and includes such institutions as boarding houses, boarding schools, residential hostels, hospitals, orphanages and asylums, etc. Catering establishments is one which supplies cooked food to persons not residing therein and includes restaurants, eating houses and canteens as well as organisations for charitable distribution of food.

The Order requires proprietors and managers of residential and catering establishments to submit returns to the Food Executive Officer of each area within 15 days of the Order. The return should state the number of boarders in the residential establishments on the date of return and during the previous three months, the number of outsiders to whom cooked food was supplied by ~~xxxxxxxxxxxx~~ catering establishments during each of the previous three months, and estimated weekly requirements of rice, flour, atta, bread, sugar, salt, pulses, mustard oil, coke and kerosene.

The Order comes into force in Calcutta and the industrial areas at once.

(The Amrita Bazar Patrika, dated 14-5-1943)

Problems of Transport:  
The U.P. Industrialists' deputation to War Transport  
Member.

A deputation consisting of certain prominent members of the U.P. Chamber of Commerce met Sir Edward Benthall, War Transport Member, Government of India, early in May 1943 to discuss the acute nature of problems of transport facing the country. The deputation emphasised the need for paying as much attention to the interests of industry in this respect, as to defence. Where industry was worst hit was in the absence of adequate arrangements for the movement of coal and cotton to the factories in Cawnpore. It was pointed out that the shortage is likely to impair the war effort to the extent mills and factories are precluded from giving their full quota of supplies. Supply of food grains in industrial cities also demanded urgent attention so as to accelerate the war effort and keep up morale.

Co-ordination of rail and road transport.- The deputation was of opinion that rail and road transport should be complementary to each other, and that as both railways and roads are national assets, they should both be developed equally in the nation's interest. What is needed is a very large number of feeder roads for this vast sub-continent leading to the main roads and to the railways, so that when peace comes military drivers may be absorbed in road traffic. The Central Government should come forward with money to help the Provincial Governments for the construction of roads, which would be quite inadequate for the needs of the country, at the end of the war. But it is necessary that a start should be made for such post-war planning of road construction. Plans should be ready in hand from now, without of course, impairing the war efforts.

(The Hindustan Times, 5-5-1943.)

Country Craft Traffic on East Coast:  
Recommendations of Advisory Committee accepted by  
Madras Government.

According to a press note issued by the Government of Madras towards the middle of May, 1943, the Committee appointed recently by the Government to advise it on the steps to be taken to develop country craft traffic on the East Coast made the following recommendations: (a) The Presidency Port Officer, Madras, for the time being be vested with central control, and that he should be assisted by the local Port officers at the outposts and the traffic manager, Madras Port Trust, at Madras, acting as intelligence officers. The functions of the Intelligence Officers will be: to expedite the movement of craft from one port to another; to furnish information regarding movements of craft from the port with particulars of cargo shipped and date of sailing, etc., to the Port officer at destination and to the central control, to make available in his office similar reports received from other ports for perusal by registered boat-owners and merchants and to maintain a list of boat-owners and merchants engaged in country craft traffic, (b) A small Foreign Advisory Committee, consisting of representatives of boat-owners and merchants be formed at each port to prepare a schedule of suitable rates of freight for the various commodities shipped from the Port. (c) Restriction on the movements of grains by sea be removed. (d) The Railway administrations of the South Indian Railway and Madras and Southern Mahratta Railway be addressed if they are willing to co-operate and help the country craft traffic to the extent of withdrawing any special rates that might tend to keep the

traffic on the railway, (e) As building of new craft is not possible owing to the scarcity of the necessary materials and the difficulty in obtaining them, individual cases, requiring assistance for building new craft or repairing old ones, be considered by Government on the merits of each case as and when they arise. (f) For the purpose of insurance, an association of boatowners be formed at each port with the Port officer as chairman so that the Marine Insurance Companies may accept risks in respect of country craft traffic and cargo carried therein. ~~XXXXXX~~

The Government has accepted all the recommendations made by the Committee except one regarding the removal of restrictions for the movements of grains by sea: it has, however, decided to issue permits for the transport of rice, etc., by sea. The port officers are being instructed to keep the grain purchase officers in their neighbourhood informed regarding boats available for taking cargo from time to time so that the grain purchasing officers may arrange to issue permits for transport by sea (combined, if necessary, with rail).

(The Hindu, 15-5-1943.)



List of the more important publications received in this Office  
during May 1943.

Conditions of Work.-

- (1) Statistics of Factories subject to the Factories Act, 1934 (XXV of 1934) for the year ending December 31, 1940, together with a Note on the working of the Factories Act during the year. Published by Order of the Government of India. Printed by the Manager, of Government of India Press, Simla, 1940.

Education.-

- (1) Report on the Progress of Education in Bihar for the year 1939-40. Statistical Tables and Appendices. By the Director of Public Instruction, Bihar: Superintendent, Government Printing, Bihar, Patna. 1943.

Social Policy in War Time.-

- (1) New India Planning Series, Pamphlet: R 1. Freedom from Want. Is Industrialisation Desirable. New India Planning Groups.

Economic Conditions.-

- (1) Report on the Maritime Trade of Orissa for the year 1941-42. Superintendent, Orissa Government Press, Cuttack. 1942.  
Price Rs. 1-0-6

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Report for June 1943

NATIONAL LABOUR LEGISLATION.

C 6/2/38

Government of India.

Labour Legislation Programme before July 1943  
Session of the Central Assembly. ✓

It is understood that at the forthcoming July session of the Central Assembly, five new labour Bills will be introduced by the Labour Member, Government of India. Of these three seek to amend the Payment of Wages Act, the Trade Disputes Act and the Factories Act respectively. There are two new Bills, one relating to holidays with pay and the other to recognition of trade unions.

I. ~~Trade Disputes~~ - Professor D. T. Jack, Labour Adviser to the Government of India, is reported to have made the following recommendations:-

Trade Disputes to be Central Subject.- At the appropriate time consideration should be given to the desirability of transferring legislation of this type from the concurrent to the federal list and to the desirability of transferring all appropriate executive authority from the Provincial Governments to the Central Government. Meantime, under the existing constitutional framework, new trade dispute legislation should require employers to inform Labour Commissioners of the existence of (a) disputes with their workpeople, and (b) stoppages of work consequent upon such disputes. A revised definition of the term "workman" is suggested. Political strikes should have no protection in law. Sections 16-18 of the existing Act should be retained.

Restraint on Stoppages of Work.- Stoppages of work in certain specified industries being industries which vitally affect the life of the community, should be made illegal, but effective measures, including a reference, where necessary, to compulsory arbitration, should be provided for dealing with disputes in these industries. The provisions of Chapter V of the Bombay Industrial Disputes Act, 1938, should, as far as possible, be copied. Stoppages of work should be made illegal where they occur without due notice of the dispute being given to the other party and without due time, to be specified, for the consideration of the claims made. Stoppages of work which take place during the course of statutory conciliation or arbitration proceedings should also be illegal.

Conciliation Machinery.- The appointment of Government Labour Officers, as in Bombay, to cater for the needs of unorganised workpeople should be authorised. Provision should be made to protect workpeople against victimisation for participation in any legal dispute or stoppage of work. Where, in any industry, machinery exists for dealing with a matter which is in dispute, the Labour Commissioner's function should be to refer the matter to the appropriate machinery. Where no such machinery exists, the Labour Commissioner should initiate conciliation proceedings. In cases where it is deemed desirable, an independent Board of Conciliation may be substituted for the conciliation proceedings initiated by the Labour Commissioner. In certain cases, provision should be made for compulsory arbitration. In other cases where the method of conciliation fails, resort to voluntary arbitration should be encouraged. Conciliators should not act as arbitrators except at the joint request of the parties, freely exercised.

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Industrial Courts. - Provision should be made for the constitution of industrial Courts - including one for disputes affecting Central Government undertakings; these Courts to act as Courts of Arbitration and of Enquiry. Industrial Courts should be assisted by assessors, two of whom should represent employers and workpeople respectively, but not employers and workpeople directly connected with the case under consideration by the Courts, and - under certain conditions - one being the person who acted as conciliator during the earlier consideration of the dispute. Power should also be taken to appoint single arbitrators or ad hoc boards of arbitration or enquiring for cases where the use of an Industrial Court would be less satisfactory.

Recognition of Unions. - Questions of trade union recognition should be dealt with in the light of experience of the Bombay Labour Officer as regards the working of Chapter II of the Act of 1938.

Provisions of Amendment Bill. - The main features of the Amendment Bill are as follows:-

The provisions of section 15 of the Act which now apply only to public utility services will henceforth be made applicable generally. Not only participation in a strike (as now under Section 15(1)) but organisation of a strike is made punishable in certain circumstances. If the appropriate Government appoints a Board of Conciliation or Court of Inquiry during the period of 14 days' notice, the organisation of or participation in a strike ~~within two months from such appointment~~ is made punishable. Employers will be required ~~to~~ in case of industrial disputes to give the appropriate Government or an authority appointed by Government information regarding ~~conditions of labour in their concerns~~. Employers will be required to observe for a certain period, terms and conditions of employment as may be determined by the appropriate Government or an authority appointed by them in this behalf. The responsibility of the Central Government is specified in more detail and the existing provisions under sections 3, 18A, 19 and 17(2) are brought into line with the new provisions.

II. Holidays with Pay. - The main features of the Holidays with Pay Bill are:-

The provisions extend only to non-seasonal factories. The minimum number of paid holidays is 7 and they must run in one block. The holidays cannot be accumulated. The qualifying service is one year. Half the wages due for the holiday period are required to be paid at its commencement. Workers are prohibited from undertaking remunerative work during the holidays. "Compensatory" holidays are provided for workers deprived of the weekly holidays as a result of exemption of a factory from the provisions of section 35 of the Factories Act. No provision has been made for the continuance or otherwise of local and other customary holidays at present given by individual employers; the matter has been left for mutual adjustment between the employers and the employees.

III. Amendment of Payment of Wages Act. - The amendment to the Payment of Wages Act was the subject of discussion by the Third Labour Ministers' Conference. It was then agreed that if the Act did not already cover clerical workers and other staff they should be expressly brought under the Act. Commercial Travellers and casual labour would not, however, be subject to the Act. It was agreed that "employer" should be defined on the lines of "occupier" under the Factories Act.

It was also agreed that the revised definition of "Wages" should be so framed as to refer only to earned wages which would include the bonuses dependent solely on the worker himself such as regular attendance, etc. It will also include piece-work wages, dear food allowance, sums earned by overtime and increased production. The point that wages should not include dearness allowances proper, but such allowances should be payable within the same periods as ordinary wages should be included in the revised definition. Liability for payment of wages should be put ~~am~~ concurrently on the manager and the employer.

The bill should cover contract and sub-contract labour (other than on Railways which was already governed by the existing Act). Although immediate payment may continue to be made by the contractor, the ultimate liability for the payment of wages should be placed on the employer subject to his right to get indemnified by the contractor as on the lines of the provision in the Workmen's Compensation Act. Substitute labour should be paid by the management. The period within which payment is to be made should be uniform and as 7 days might be too short in some cases it must therefore be 10 days.

A specific provision for the establishment of a fines fund should be included, instead of such ~~an~~ establishment being recognised only by implication. Undue accumulation of fines should be prevented and interest on investment of the fund should be required to be credited in the fund itself.

(Issues of "Capital", Calcutta, dated 1 and 8-7-1943). ✓ +

#### Ajmer-Merwara

##### The Draft Weekly Holidays (Ajmer-Merwara) Rules, 1942. ✓

The Chief Commissioner, Ajmer-Merwara, has, in exercise of the powers conferred by Sec. 10 (1) of the Weekly Holidays Act, 1942, gazetted on 2-6-1943 the draft Weekly Holidays (Ajmer-Merwara) Rules, 1942, for the information of the public and for eliciting suggestions and objections. The draft is to be taken up for consideration by 19-7-1943.

(Notification No. A/17-1, dated 2-6-1943, The Gazette of India Part II-A dated 12-6-1943, pp. 184-185.) +

#### Assam

##### The Assam Maternity Benefit Bill, 1940. Passed by Legislative Council on 27-3-1943.

Reference was made at page 2 of our March, 1941, report to the passing of the Assam Maternity Benefit Bill, 1940, by the Provincial Legislative Assembly on 27-3-1941.

The Bill was passed by the Assam Legislative Council on 13-3-1943.

(Official Report of the Debates of 12 and 13-3-1943: Assam Legislative Council Debates, Vol. VII, No. 2, p. 191.) +

BengalThe Bengal Factories (Exemption) Rules, 1943.

The Government of Bengal has, in exercise of powers conferred by Sec. 43 of the Factories Act, 1934, promulgated on 29-5-1943, the Bengal Factories (Exemption) Rules, 1943. The rules relate mostly to certain exemptions of ~~the~~ adult male workers from the hours of work provisions of the Factories Act, 1934 (sections 34, 35, 36, 37, 38, 39 and 40) in rice mills, tea factories, sugar factories, mustard oil mills, tanneries and flour mills.

(The Calcutta Gazette dated 24-6-1943, pages 1117-1120.)

BengalCalcutta and Suburban Police (Amendment) Act, 1943 (Act I of 1943).

Reference was made at pages 2 to 3 of our August 1941 report to the Calcutta and Suburban Police (Amendment) Bill, 1941, which aims to improve conditions in seamen's lodging houses in Calcutta by controlling <sup>also</sup> lodging houses where food is not supplied to inmates. ~~also~~ The Bill was passed by the Bengal Council on 2-9-1941.

The Bill, as passed by the Legislature, <sup>has</sup> received the assent of the Governor and is published at page 3 of Part III of the Calcutta Gazette dated 15-4-1943.

North-West Frontier ProvinceWeekly Holidays for Trade Employees:  
N.-W.F.P. to Introduce Bill.

It is understood that the Government of the North-West Frontier Province has agreed to enforce a weekly holiday for all trade employees in all cities and cantonments in the province. A Bill to this effect on the lines of the Punjab Trade Employees Act will be introduced in the Assembly session to be held by the end of July, 1943.

(The Hindustan Times, dated 16-6-1943.)

Orissa.-Orissa Draft Rules Re. Persons holding Positions of Supervision and Management and Confidential Posts.

In exercise of the powers conferred by Sec. 43 of the Factories Act, 1934, the Government of Orissa has on 9-6-1943 gazetted the draft rules in supersession of the existing rules regarding persons holding positions of supervision and management and those employed in confidential posts. The draft will be taken up for consideration after 14-9-1943.

(The Orissa Gazette, Part III, dated 18-6-1943, pp. 176-179.)

PunjabThe Punjab Trade Employees (Amendment) Bill, 1942:  
Introduced and referred to Select Committee on 26-3-1943.

Reference was made at page 2 of our December, 1942, report to the draft Punjab Trade Employees (Amendment) Bill, 1942, gazetted by the Government of the Punjab. The Bill was introduced in the provincial

Legislative Assembly by the Finance Minister on 26-3-1943, and referred to a Select Committee on the same date.

(Official Report of the Debates in the Punjab Legislative Assembly, Vol. XXI, No. 12, dated 26-3-1943.).

The Punjab Maternity Benefit Bill, 1942:  
Introduced and Referred to Select Committee on 26-3-1943.

Reference was made at page 2 of our December, 1942, report to the draft Punjab Maternity Benefit Bill, 1942, gazetted by the Punjab Government. The Bill was introduced in the provincial Legislative Assembly by the Finance Minister on 26-3-1943, and referred to a Select Committee on the same date.

(Official Report of the Debates in Punjab Legislative Assembly, Vol. XXI, No. 12 dated 26-3-1943.).

Mysore State

The Mysore Industrial Statistics Bill:  
Principles Accepted by Legislative Council.

The Mysore Legislative Council, on 3-6-1943, accepted the general principles of the Industrial Statistics Bill ~~introduced~~ modelled on the Industrial Statistics Act of the Government of India. The Bill provides for a fuller compilation of industrial statistics in Mysore State, and empowers Government to frame rules for the purpose. It also provides for the collection of statistics relating to factories, welfare of labour, prices of commodities, living conditions, indebtedness, wages and earnings, provident and other funds provided for labour benefits and amenities for labour, hours of work, unemployment and industrial and labour disputes.

In the course of the consideration of the Bill, a suggestion was made to the effect that a committee consisting of representatives of labour, employers of labour and the Government statistician, ~~proposed to be appointed under the Act and~~ other interests concerned, be appointed to frame rules to work the Act.

(The Times of India, dated 5-6-1943.) ✓

## CONDITIONS OF WORK

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### General ✓

#### Labour Conditions in Ceylon: Report of Major Orde Browne on Ceylon, Mauritius and Malaya.

Indian Emigration to Ceylon.- Major Orde Browne, Labour Adviser to the Secretary of State for Colonies, United Kingdom, in his report on labour conditions in Ceylon, Mauritius and Malaya which was issued on 11-6-1943, makes a reference to Indo-Ceylon relations and states: "A solution of the disagreement is much to be desired, not only for the avoidance of economic difficulties and individual hardship, but also for the elimination of a cause of serious friction among the various elements of the population of the island". Dealing with future immigration, Major Orde Browne states that the logic of utilising a labour force near at hand rather than one imported from a distance is so obvious that it would seem certain to prevail. The employment of a greater proportion of village labour would, to that degree, relieve estates of the heavy burden of maintenance of labourers and their families.

Provision for Peaceful Pickets in Ceylon.- The comment is made that <sup>an</sup> omission in trade union legislation is that no provision is made for peaceful picketing. Some such measure was most desirable in a country such as Ceylon where crowds were apt to be easily excited.

Housing in Ceylon.- Major Orde Browne considers the standard of housing in Ceylon, for a tropical country, high. The standard of accommodation for the agricultural community, he thinks, is higher than that obtaining in almost any other part of the British Colonial Empire. Urban sanitation is better than might be expected and Ceylon is, in this matter, superior to many of the towns of India, Africa and the East Indies.. Housing conditions on plantations, states the report, vary greatly, all degrees from quite good to very bad existing. The matter has been receiving increasing attention of late years and the Planters' Association had stated that its members had spent Rs. 50 millions on housing during the last five years. A general improvement has, however, been going on and the accommodation provided on many plantations is in advance of the regulation requirements. Sanitation on estates is generally good.

Medical Facilities.- The medical requirements of the Island are well provided for; and is, from the point of the manual worker, decidedly in advance of most tropical countries. In practice, inspection of medical conditions on estates was not taking place quite as often as might be desired. Examination of records at the Labour Department indicated that the period between inspections might be two years or more, while instances were found where it was as much as four.

(The Hindu, 18-6-1943.) ✓



Improvement of Road Transport:  
plea by President of the Western India Automobile Association. ✓

In his address at the annual meeting at Bombay, on 21-6-1943, of the Western India ~~Automobile~~ Automobile Association, Mr. S.N.C. Patuck, President of the Association, pointed out that one of the main causes of the present widespread congestion in rail transport and resultant dislocation in communications, trade and ~~communication~~ commerce, is the policy of discrimination followed by the Government of India in favouring railways as against roads. He observed that Government has all the while been "throttling down" road transport under a variety of restrictions. "Had there been a properly organised road transport system supplementing the railways, it would have come in very handy at this time, enabling the railways to serve military needs, leaving the road transport system to look after civilian requirements. But the shortsighted policy so far pursued in encouraging the railways at the expense of the other types of transport has now led to a serious situation when the railways find it impossible to meet the enormous demands that are made on them. Nor is road transport properly developed or encouraged to enable it to carry its share of traffic." He urged that the Government of India should arrange for a number of motor vehicles to be obtained for the civilian market and consider very seriously the establishment of an automobile industry in India and offer every facility for the erection of the needed factories, etc. to industrialists who may be prepared to finance the scheme.

(The Times of India, 23-6-1943.) ✓

All India Central Coconut Board set up by Government of India ✓

The Government of India, it is understood, has decided to constitute an All-India Central Coconut Board on the lines of the Coffee Control Board, for placing the Indian coconut industry on a sound basis. The Board is to be financed by a levy of a cess of Rs. 3-2 per ton of copra, crushed in the power mills in India. The Government estimated that about 163,000 tons of copra are crushed every year in India, of which Travancore consumes 75,000 and Cochin State 27,000 tons respectively.

The Board will consist of 16 members, with one representative each of the Governments of Madras, Mysore, Travancore and Cochin, seven representing coconut growers (two representatives each nominated by the Governments of Madras and Travancore, one representative each nominated by the Governments of Mysore and Cochin and one nominated by the Government of India from a panel of names recommended by the Governments of Bombay, Bengal and Orissa) and five representatives of the milling and coir industry to be nominated respectively by the Travancore Chamber of Commerce, the Cochin Chamber of Commerce, the Indian Merchants' Association, Bombay, and the Bombay Chamber of Commerce, and the Calicut Chamber of Commerce, Calicut.

The Cochin State Oil Millers' Association has represented that the coir industry should also be made to pay for the upkeep of the Board and that a portion of the import duty on coconut products should be given to the Board so that the burden on the crushers might be lighter.

(The Hindu, 20-6-1943.) ✓

Sugarcane Industry:

Sir T.S. Venkataraman Appointed to Study Conditions. ✓

In order to make a comprehensive study of the Indian sugarcane industry and to make recommendations for its improvement, Sir T.S. Venkataraman, ex-Principal, Agricultural College, Coimbatore, has recently been appointed special officer by the Government of India. The inquiry will take stock of the research work already done in respect of sugar and find out the most profitable lines of applying ~~variant~~ scientific methods in the production of sugar. In this connection, a comprehensive questionnaire has already been addressed to Provincial Governments, factory owners and others interested in the sugar industry.

(The Hindustan Times, dated 24-6-1943.) ✓

Indian Industrialists Protest against Government's Export Trade Policy: Encouraging Foreign Firms to detriment of Indian Exporters' Interests. ✓

The apprehension that the handicaps under which Indian exporters have been placed as a result of the measures introduced in the country and abroad on account of the war might result in their being eliminated from the export trade is expressed by the committees of the Bengal, ~~Chamber~~, Indian, ~~Chamber~~, Muslim, ~~Chamber~~ and Marwari Chambers of Commerce and the Marwari Association in a joint communication addressed to the Government of India, in the third week of June, 1943.

Restrictions Imposed from Outside.- The committee state that in the ~~pre-war years Indian exporters enjoyed~~ a large share of the total export trade of India, particularly in tea, cotton textiles, mica, hemp, rice, jute and steel, but this position has changed since the start of the war. While allocation of shipping freight was previously made in Calcutta, quota allotments now come from London as a measure of centralization. The ~~firm~~ freight allocation authority in London encourage old British and American exporting firms, although such firms had previously hardly any exports from India as compared with Indian exporters. Indian exporters have also been denied the opportunities of trade on account of the activities of the United Kingdom Commercial Corporation and other similar non-Indian monopolistic organisations enjoying the patronage of their Governments in regard to quotas and other facilities. Referring to the "consistent policy" followed by the Government of India in making Indian goods available to the U.K. and the U.S.A. at ~~much~~ lower than the prevalent market rates, it is pointed out that the Committees are strongly opposed to this policy as it aims at obliging foreign consumers at the cost of Indian workers. Another objection raised is that, while introducing measures relating to import and export control, the Government of India did not take the Indian commercial community into confidence, nor did it seriously examine the likely effects on Indian traders of the orders issued.

Appeal to Government.- The Committee have pointed out to the Government the fact that the present policy of making goods produced in India available to foreign consumers at ~~low~~ low prices, control of freight by the U.K. and the U.S.A. and the complicated system of licences, coupled with the concessions and privileges granted to non-Indian monopolistic concerns, have all worked in a manner extremely prejudicial to Indian producers and traders and are inimical to their future prospects of participation in foreign trade. They, therefore, appealed to the Government to revise the present policy with a view to making it less harmful to Indian interests.

(The Statesman, dated 29-6-1943.) ✓

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Working Class Cost of Living Index Numbers for  
various Centres in India during January 1943.

The index number of the cost of living for working classes in various centres of India registered the following changes during January 1943, as compared with the preceding month:-

<u>Name of Centre</u>	<u>Base = 100</u>	<u>December 1942</u>	<u>January 1943</u>
Bombay	Year ending June 1934	188	203
Ahmedabad	Year ending July 1927	149	173
Sholapur	Year ending January 1928	147	147
Nagpur	August 1939	208	212
Ludhiana	1931-35	288	355
Cawnpore	August 1939	224	225
Patna	Average cost of living for five years preceding 1914.	222	243
Jamshedpur	Ditto	226	248
Jharia	Ditto	248	242
Madras	Year ending June 1936	158	161
Madura	Ditto	167	170
Coimbatore	Ditto	174	178

(Monthly Survey of Business Conditions  
in India for January 1943.) ✓

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Textile Industry

Textile Trade between India and East Africa:  
Agreement between East African Governments' Delegation and African  
Shippers' Association, Bombay. ✓

The members of ~~the~~ East African Government's delegation and the representatives of the African Shippers' Association, Bombay, met recently in Bombay in order to come to an agreement in the matter of textile imports from India into East Africa.

Points under Discussion.- After a lengthy discussion the following emerged as the crucial points on the subject, viz., (1) What was the attitude of the various East African Governments towards the trade in Indian manufacture of cotton piecegoods between India and the East African Colonies. (2) How best to secure the export from India of cotton piecegoods to the East African colonies so as to bring about an equitable distribution of these goods into the various East African colonies at an average, reasonable price-level consistently with war conditions. (3) What was the attitude of the members of the Africa Shippers' Association, Bombay, who constitute an overwhelming majority of exporters of cotton piecegoods to East Africa towards securing the maximum outflow of piecegoods to East Africa so as to secure the achievement of as low a landed cost in East African ports as was possible under war conditions.

Attitude of East African Governments.- The President of the ~~Africa Shippers' Association~~ made it clear that, while the members of the Association were entirely at one with the members of the East African delegation on the question of securing for the East African colonies a continuous supply of cotton piecegoods at as cheap a price level as possible, they were entirely averse to any steps that may result in disturbing the normal and existing channels of trade, and that, barring such drastic action as were at one time contemplated by the East African Governments, the members of the Association were willing to render all co-operation for securing the object stated above.

The East African delegation, on the other hand, assured the representatives of the Association that there was not, and never had been, any intention on the part of the East African Governments or on the part of the European merchants of East Africa to elbow out of existence the Indian traders in the piecegoods trade between East Africa and India or to introduce any racial discrimination in trade. They said that, after having heard and seen in India the view point of the Indian merchants trading with East Africa and the conditions of trade and conditions of manufacture existing in India, they have come to the conclusion that other means might be found than the creation of a corporation or an association in East Africa to control the piecegoods trade or the bulk purchase in India of such goods. In this connection, the suggestion made by the representatives of the Association was adopted by the delegation, viz., that there should be formed in East Africa one or more panels of recognised and bona fide merchants dealing in piecegoods of the various territories. It was agreed that after these panels had worked for some time, it would be possible for the East African authorities to fix the minimum number of types and varieties of cotton piecegoods to which the imports should be confined, consistently with the availability of those qualities and types in the Indian market.

Control of Price.- In order to ensure an even trend of average landed cost of cotton piecegoods in the various East African ports,

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a suggestion was mooted, which was agreed to by the delegation, that, while continuing the issue as at present of licences to piecegoods merchants according to their past records of imports, a further stipulation may be made by the licensing authority that within a prescribed time the importer to whom the licence had been issued should notify and get registered with the licensing authority the prices on which the deals were closed in Bombay so as to enable the various Import Trade Controllers in the East African ports to check up the landed cost of the goods when they arrive in the East African ports. While the validity of licences so issued would be, as usual, for six months, the importer would be bound within the prescribed time, which would not be later than three weeks from the date of the licence, to register with the Import Trade Controller in the East African ports the confirmation received by him from his Indian agent and the prices at which the deal was closed.

The above-mentioned procedure will enable the price control authorities in the colonies to fix from time to time, on the basis of the data available to them, the highest ceiling of wholesale or retail prices in the different territories of the colonies, thereby bringing about an effective average in the prices and the control thereof. At the same time this procedure will create an incentive on the part of the importers in Africa and their agents in India to buy in the cheapest market.

Government of India Satisfied at Agreement. - The Government of India have been gratified to learn that the African Shippers' Association has been able to bring the dispute to a satisfactory conclusion. This agreement creates a wholesome precedent in that this is the first time that an agreement has been arrived at through round table discussions between a commercial representative association on the one hand and a Colonial Government delegation on the other hand. Thus a problem that threatened to create a rift between two Empire countries has become amenable to the spirit of reason and compromise.

(The Indian Textile Journal, Bombay, June 1943 issue.) ✓

Locational Trends in Indian Cotton Mill Industry, 1920-1940:  
Article in Indian Textile Journal ✓

Attention is directed to pages 272 to 273 of the June 1943 issue of the Indian Textile Journal, Bombay, where is published an article under the caption: "Locational Trends in Indian Cotton Mill Industry in the period 1920-40" contributed by Mr. S. Ganapati Rao. ✓

## SOCIAL INSURANCE

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### Sickness Insurance Scheme:

#### Reply to Questionnaire by Bombay Chamber of Commerce

Reference was made at page 16 of our April 1943 report to the questionnaire circulated among industrial interests by Professor B.P. Adarkar, who has been appointed by the Government to draw up a sickness insurance scheme. (A copy of the questionnaire was sent to Hongkong with this Office's minute B.1/361/43 dated 19-4-1943.)

The Bombay Chamber of Commerce, while approving the principle of sickness insurance, made the following comments in reply to the questionnaire:-

(a) Such a scheme should be applied throughout the whole of India in order that industry established in British India should not suffer from the cost of this measure to their detriment, while competitors in Indian States were free of such a burden. It was realised that this proviso might entail postponement of the scheme for several years, but the point was considered of such importance that postponement would be justified. (b) The scheme should be arranged on a contributory basis by the State, employers and employees. (c) The question of holidays with pay was bound up so closely with that of sickness insurance that legislation on this latter subject should combine schemes for both. (d) At the outset, the scheme should be confined to that class of labour which was sufficiently stable to remain in the same employment for a number of years and sufficiently responsible to contribute towards such benefits as they might receive. (e) Inasmuch as a number of employers had already introduced schemes which provided sickness benefits for employees, such schemes should be allowed to continue at the option of employers provided the details of their individual schemes were approved by Government.

(Excerpts from the proceedings of the Bombay Chamber of Commerce during May 1943.)

"Pegging Act" Condemned:Resolutions of the South African Indian Congress on Government's Anti-Indian Measures. ✓

The 16th session of the South African Indian Congress was held at Johannesburg on 26, 27 and 29, June 1943. In his inaugural address, *Sir* Shafaat Ahmed Khan, High Commissioner for India in South Africa, pointed out ~~that~~ the various handicaps to which Indians in South Africa are subject, notwithstanding the Union Government's indebtedness to the Indian community in the economic development of the Union. He said he could find no justification for 'Pegging' Act as there would have been no appreciable encroachment by Indians ~~on~~ European areas had proper provision been made for the housing of Indians. Promises in this regard in the past 20 years were not fulfilled.

Resolutions.- Severance of Diplomatic Relations with South Africa by India Urged.- The Congress adopted a resolution demanding that the Government of India should sever diplomatic relations with the Government of the Union and recall the High Commissioner. The motion declared that the Pegging Act was a violation of the uplift clauses of the ~~the~~ Capetown Agreement.

Demand for Social and Political Rights.- By another resolution, adopted unanimously, it was decided to prepare and submit to Field Marshall Smuts a "Charter of Indian Rights" demanding recognition of Indians as citizens with parliamentary and provincial civic franchise, repeal of all legislation adversely affecting Indians, inclusion of Indians in old-age pensions and other existing social legislation, removal of all obstacles on Indian employment in industry, trade and agriculture, free primary education and admission of Indians to universities and technical colleges. In the event of these requests not being granted, steps were to be taken to enlighten opinion in India, America and Britain, on the disabilities of South African Indians, and to contact Allied leaders at the Peace Conference, after the war, to place before them the discriminatory treatment of the Indian minority in South Africa.

(The Hindu, 27, 29 and 30-6-1943.) ✓

The Sind Rat-Pest <sup>Bill</sup> ~~Act~~, 1943 ✓

In order to completely eradicate the menace to crops from ~~rats~~ rats, the Government of Sind has drawn up a bill called the Sind Rat-Pest Act, 1943. The Act, which will come into operation on a date to be notified later, will remain in force for a period of five years thereafter, and ~~provides~~ provides for creating officials authorised to enter upon "notified areas" and adopt such measures as may be deemed necessary for the destruction of rats. It is also proposed to impose a tax at the rate of 3 annas per acre of cultivated land in areas in which rat-killing operations are carried out. In an explanatory statement appended to the bill, it is pointed out that rat-killing operations have all along been carried out by the Agricultural Department of the Government without any substantial help from the Zamindars of the affected areas. Government now proposes to carry out these operations on such a scale as will extirpate the pest altogether. This, it is expected, will take about five years and the duration of the Act is restricted to this period. The operations will be carried out both in waste and occupied lands. The rats breed in waste lands and cause damage to cultivation in occupied lands. The estimated cost of these operations is Rs. 125,000.

(The Sind Government Gazette, Part IV, dated 17-6-1943, pp. 211-212). ✓

Research in Agriculture:

Review of work of the Imperial Agricultural Research Institute for the five years ended 30-6-~~1941~~ 1941. ✓

The report of the Imperial Agricultural Research Institute, New Delhi, for the five years ended 30-6-1941, recently published, reviews the progress made by the Institute; the salient features of the review are given below:-

The scientific work at the Institute has a programme of agricultural research based on the need for greater production having regard to the requirements of the consumer and a safe margin for the producer. It is also realised that the degree of economic success of the cultivator depends on the proportion in which the different branches of agriculture are blended into a harmonious whole. An example is the research in progress on the theory and practice of mixed farming; valuable results have been reported. Plant breeding has now reached a stage at which the potentialities for further development are limited by the fertility of the soil. Work on plant breeding and production of new and high yielding varieties of crops capable of resisting drought and disease was continued and maintained at a high level.

Investigations on soils, carried on by the Institute, had for their object an understanding of the comparative development and behaviour of soils under different conditions of rainfall, evaporation and temperature. An important line of work likely to be helpful in crop planning enterprise is the preparation of a soil map of India and the associated crops. Another interesting line of study is the relationship between soil and its manurial treatment and the nutritive value of the crops grown. This is vitally concerned with rational nutrition and the health of a large section of subsistence farmers, who consume the food crops grown on their lands. Considerable attention was paid to the study of insects and fungi, their mode of development and of causing damage to crops, and control of locusts.

(The Times of India, 1-6-1943.) ✓



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PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS

Pay, Allowances, Leave and other Service Conditions of Bombay Primary Schools Staff: Government's Draft Notification.

(Certain amendments to the Bombay Primary Education Rules, 1924, regulating the pay, allowances, leave and other conditions of service of the administrative, supervising, teaching and clerical staff of primary schools in Bombay have been gazetted by the Government of Bombay on 1-6-1943.)

The amendments provide that the grant of leave and the fixing of leave allowances to the administrative staff not including the clerical staff, and in the absence of regulations which may with the sanction of Government be framed in this behalf by local authorities, the grant of leave and the fixing of leave allowances ~~will~~ to the clerical, teaching and supervising staff will be determined - (i) in the case of employees appointed before ~~the~~ 1-3-1937, in accordance with the leave rules in the Bombay Civil Service Rules; and (ii) in the case of employees appointed on or after 1-3-1937, in accordance with the Revised Leave Rules, 1935. Also that the grant of joining time pay, officiating pay and travelling and other allowances to the administrative staff, not including the clerical staff and in the absence of previous regulations, to the three other categories too, will be made in accordance with the rules prescribed from time to time by Government for similar classes of its employees. The conditions for retirement, extension of service, pensions and gratuities ~~also will be on the same lines as of conditions for other Government employees of a similar class.~~ Local authorities are empowered to make provision, with the approval of Government, for pensions and provident funds for the supervising, clerical, teaching and inferior staff.

The draft will be taken up for consideration after 9-8-1943.

(The Bombay Government Gazette, Part IV-B dated 3-6-1943, pp. 240-241). ✓

Punjab Working Journalists Association set up on 24-5-1943

An organisation called the Punjab Working Journalists' Association was formed at a meeting held at Lahore on 24-5-1943. Mr. F.W. Bustin, Editor, "Civil and Military Gazette", and Mr. Jung Bahadur Singh, Senior Assistant Editor of the "Tribune", Lahore, were provisionally elected President and General Secretary, respectively, and a sub-committee was set up to frame the constitution. The meeting decided to raise a fund of Rs. 100,000 to be administered by a trust for the purpose of affording relief to journalists in distress.

(The Statesman, 25-5-1943.)

Earlier on the same day, the 2nd Annual Conference of the Department of Journalism of the Punjab University was held at Lahore, Mr. Eothan Joseph, Editor, "Dawn", Delhi, presiding. In his presidential address, Mr. Joseph urged Government intervention for the economic uplift of journalists in India and for saving them from exploitation by newspaper proprietors. He pointed out that in the large majority of Indian newspaper offices, there were no fixed rules about leave facilities and that the salary scales were very poor.

(The Amrita Bazar Patrika, 27-5-1943.) ✓

Aid to Small-scale Industries:  
Grants by Punjab Government. ✓

To relieve unemployment and help industrial development, the Industries Department of the Punjab Government has set apart Rs. 20,000 for grants to trained young men to start small industries. The grants will, in particular, be given for the following purposes: for purchase of tools, implements and appliances and machinery, including the cost of erection; to enable the recipient to tide over early stages of manufacture on a commercial scale; to help him to meet losses due to poor production in the beginning; as working capital in special cases; and for such other objects as may be approved by the Government.

(The Statesman dated 24-5-1943.) ✓

The North Orissa Salt (Village Manufacture and Storage) Rules, 1943. ✓

The Government of India has, on 5-6-1943, issued the North Orissa Salt (Village Manufacture and Storage) Rules, 1943, for regulating the manufacture and storage of salt in the districts of Cuttack, Balasore and Puri in North Orissa. Under the rules, no person may manufacture salt unless he ordinarily resides in an area in which these rules are for the time being in force, and unless he carries on the manufacture as a cottage industry; and no such manufacturer may sell or otherwise dispose of salt so manufactured except to a contractor appointed by the Government of Orissa.

(The Gazette of India, Part I, Section I,  
dated 5-6-1943, pages 592-594). ✓

## LIVING CONDITIONS

### Housing

#### Housing Conditions of Ahmedabad Workers ✓

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According to the Special Correspondent of the Times of India, the Textile Labour Association, Ahmedabad, has issued an appeal to mill operatives to join in large numbers the co-operative societies which some of the mills have been recently starting. It states that the co-operative movement is as essential for the economic uplift of the workers as the trade union movement is for safeguarding their rights and privileges in their struggles with their employers. Thirty co-operative societies have been started during the last three years, of which about half a dozen were started during 1943. These societies are chiefly supply societies, but credit societies are now being started. Five housing societies for workers were started some years ago through the efforts of Mr. Pritamrai Desai, founder of the housing societies in Ahmedabad; but their growth, along with the growth of other housing societies, has been arrested for want of comprehensive planning. Labour areas have been practically neglected and they are the worst parts of the city. The work of suburban drainage has been suspended during the war for want of materials. After the war when materials are available housing societies for workers will have to be started to improve the slums of the city.

The correspondent points out that the Municipality has been trying to demolish some of the worst types of houses by declaring them unfit for human habitation, but the people are reluctant to leave them and occupy better ones where they have to pay higher rents. In Ahmedabad a novel type of housing has developed. People hire open land and cover it with tin sheds or dig pits and live there. The Municipality has to file suits against tenants in some cases for occupying houses unfit for human habitation. Unless the sense of the people for better housing is cultivated, there is little prospect of housing societies being started or better houses for labourers being built in large numbers.

(The Times of India, dated 13-6-1943.) ✓

Wages

Coal Mining Boards to be set up: Proposal of the Government of India.

The Government of India has under active consideration various problems connected with coal-mining labour. The main proposals under examination are:

(a) A Coal Mining Wages Board (or Boards) to be set up for the purpose of determining, subject to the approval of the Minister responsible, minimum wage-rates and conditions of employment.

(b) Statutory machinery to be set up for the fixation of minimum selling prices and the regulation of output.

(c) Local Welfare Officers to be appointed to further the welfare of the workers, both at their places of employment and in the areas where they live. These Labour Welfare Officers are to be subject to the direction, either of Mines Boards of Health, or of the Chief Inspector of Mines, under whom a special Welfare Board should be organised.

(d) A Coal-Mining Conciliation Officer to be appointed by the Central Government, at least for the Jharia and the Raniganj coalfields, for the purpose of dealing with disputes, actual and apprehended. This officer should have effective liaison with the Labour Welfare Officers.

~~(e)~~ Incidental recommendations concern (1) the collection of more adequate statistical data relating to wages and earning, (2) the further examination of the proposal that the State should acquire all mineral rights where that has not already been done, (3) the further development of hospital facilities, and (4) the development of educational facilities for the children of miners.

It is anticipated that full opportunity will be provided to all interests concerned to express their views before any final decision is reached.

Capital, Calcutta, 24-6-1943.

Further Increase in Dearness Allowance for Low Paid Government Servants in U.P.

The revised scale of dearness allowance granted by the Government of the United Provinces to its low paid employees in January, 1943, was reported on page 29 of our January, 1943 report. A further increase in the allowance was announced in a U.P. Government communique dated 4-6-1943. The increments, which take effect from 1-5-1943, are Rs. 3 per mensem in the larger towns and Rs. 2 per mensem in other areas. The pay-limits up to which the allowance is admissible have also been raised from Rs. 100 to Rs. 125 in larger towns and Rs. 70 to Rs. 90 in other areas. With the present increase, allowances granted are Rs. 9-8-0 and Rs. 12 for those Government employees in the larger towns drawing up to Rs. 40 and between Rs. 40 and Rs. 125 respectively, and Rs. 7 and Rs. 9-8-0 for those drawing below Rs. 40 and between Rs. 40 and Rs. 90 respectively in other areas.

(The Leader dated 7-6-1943.)

Further Increase in Dearness Allowance for Government Servants in the Central Provinces.

The C.P. and Berar Government has sanctioned a revised compensatory

cost of living allowance to its employees, with effect from July, 1943. (The earlier grant was made in August, 1942; vide page 21 of our August 1942 report). The new rates are: in Nagpur and Jabulpore, Rs. 6-8-0 for those drawing below Rs. 40 per month, and Rs. 9 for those drawing between Rs. 40 and Rs. 100 per month, and in other places, Rs. 5 for those drawing below Rs. 40, and Rs. 7-8-0 for those drawing between Rs. 40 and Rs. 70.

(The Amrita Bazar Patrika, dated 1-6-1943.).

Special War Allowance for Textile Mill Clerks in Indore State ✓

As the result of a settlement reached between Indore millowners and the Clerks' Association, Indore State, clerks in textile mills are to be given a special war allowance, with effect from 1-4-1943, for a period of 18 months. The rates of the allowance fixed are: 30 per cent. of the pay for those drawing up to Rs. 50 per month and 20 per cent. for those drawing up to Rs. 250 per month. They will also be entitled to the same dearness allowance - based on the cost of living index number - as the workers, who are at present getting Rs. 22 per month.

(The Times of India dated 16-6-1943.) ✓

Railwaymen's Dispute with Government re. Dearness Allowance: Government's Refusal to Appoint Adjudicator: Decision of A.I.R.F. Committee to take Strike Ballot. ✓

The Committee of the All-India Railwaymen's Federation met at Bombay on 13 and 14-6-1943 and considered the Government of India's refusal to appoint an Adjudicator in the dispute between the Railway Board and the Railwaymen's Federation on the question of the adequacy of the dearness allowance granted, and adopted a resolution stating that the Committee felt bound to consider the question of taking a strike ballot. Before directing the unions to start work on taking the ballot, however, the Committee wished to elicit from the Railway Board the following information: (1) particulars of the listed articles of necessaries of life; (2) the number of workers who are in actual receipt of the benefit of the cheap grain shops; (3) savings in cash accruing to the workers as a result of the shops separately on different railways and the time within which the full scheme will be in operation on all railways. The Committee requested that the information should be made available to the Federation as quickly as possible and not later than a fortnight. Criticising the Government of India's reply to the Federation's demand for the appointment of an Adjudicator as "ill-informed and disappointing", the resolution stated that the Labour Department seemed to have overlooked the fact that the cost of living since September 1939 had risen by 150 per cent. and that the grant of dearness allowance by the Railway Board to the railway workers was hopelessly inadequate at each successive stage. The Committee deplored that the loyal and hard work of the railwaymen during the last four years in support of the war efforts had not been appreciated. The Committee requested the President, Mr. Jamnadas Mehta, and the Secretary of the Federation to call the annual Convention of the Federation at an early date to consider the situation in the light of the reply received.

(The Hindu, 15-6-1943.) ✓

Further Increase in Dearness Allowance for Lower-paid Bombay Government Employees. ✓

In view of ~~the~~ a further rise in the cost of living, the Government of Bombay has decided to liberalise its existing scheme of dearness

allowance by raising the pay limits up to which the allowance is admissible and by increasing the rates.

The pay limit for allowance has been ~~xxxxxx~~ increased for Government servants serving in Bombay from Rs. 120 to Rs. 150 a month and the allowance raised from Rs. 9 to Rs. 11 for those getting below Rs. 40 a month and from Rs. 11 to Rs. 14 for those getting between Rs. 40 and Rs. 150. The pay limit for those serving in the mofussil has been increased by Rs. 30 to Rs. 120 and the allowance has been raised to Rs. 8 for those getting below Rs. 40 and Rs. 10 for those getting more, against the present allowance of Rs. 7 and Rs. 9 respectively. Marginal allowance will be given to persons drawing more than Rs. 150 in Bombay City and Rs. 120 in the mofussil to ensure that they do not receive less than Rs. 164 and Rs. 130 a month respectively.

These orders take effect from May 1, 1943. All whole-time Government servants are eligible for the allowance and similar increases have also been ordered in the case of whole-time daily rated staff.

(For details of previous increase in the dearness allowance granted to lower-paid employees of the Government of Bombay, see page 27 of our February 1943 report.)

(The Times of India, 26-6-1943.) ✓

Further Increase in Dearness Allowance for Lower-paid  
Central Government Servants. ✓

In view of the further increase in the cost of living, the Government of India has, on 15-6-1943, granted another increase in the rates of dearness allowance for lower-paid employees, other than those in Railways. (The last increase was notified on 19-1-1943, and was reported on page 28 of our January 1943 report). The new rates are:-

<u>Pay</u>		<u>Rate of Allowance</u> <u>per month</u>
Area A	Below Rs. 40 per mensem	Rs. 11
	From Rs. 40 up to Rs. 150 per mensem	Rs. 14
Area B	Below Rs. 40 per mensem	Rs. 8/8/-
	From Rs. 40 up to Rs. 125 per mensem	Rs. 11
Area C	Below Rs. 40 per <del>mensem</del> mensem	Rs. 6/8/-
	From Rs. 40 up to Rs. 90 per mensem.	Rs. 9

Persons drawing more than Rs. 150 but not more than Rs. 164 in Area A; more than Rs. 125 but not more than Rs. 136 in Area B; more than Rs. 90 but not more than Rs. 99 in Area C will receive such allowance as would bring their total emoluments up to Rs. 164, Rs. 136 and Rs. 99 in the respective areas.

The modified rates have come into force from 1-6-1943.

The Government may exclude from the scope of these orders any Government servant for whom it has made arrangements for the regular supply of essential food commodities at a concessional price. In such cases allowances will be continued on the original scale.

(The Gazette of India, Part I, Sec. I dated 19-6-1943, pp. 653-654.)

Textile Control Board Inaugurated on 28-6-1943. ✓

Reference was made at pages 34 to 38 of our May 1943 report to the proposal of the Government to set up a Textile Control Board. The Board was formally inaugurated in Bombay on 28-6-1943 by Mr. M.S.A. Hydari, Secretary of the Department of Industries and Civil Supplies, Government of India. This Board will exercise control over the Indian cotton textile industry with the object of making cloth available to the consumer in India at reasonable prices. Details of the working of the control over the industry were discussed in all its aspects at the inaugural meeting of the Board, Mr. Krishnaraj M.D. Thackersey presiding. The Board set up eight Committees to examine the various aspects of the problem. While the Board may meet once in two months, these Committees and the sub-Committees to be formed hereafter will meet very often to tackle the problems within their respective spheres. The Committee will start working with effect from 29-6-1943 and their first conclusion will come up for discussion before the Board soon.

The Industries Committee will be the Executive Committee of the Board to deal with questions relating to fixation of prices, production, standardisation, yarn and sewing thread, among others. It consists of 15 members of the Board representing the manufacturing interests. It will appoint a standing sub-committee to deal with questions relating to war supplies and standard cloth. The Exports Committee has been assigned the work of dealing with the control of exports of cloth and yarn and raw cotton. This Committee consists of Sir Ness Wadia, Mr. Kasturbhai Lalbhai, Sir Purshotamdas Thakurdas, Mr. T.V. Paddeley, Mr. N.M. Joshi, Mr. Devidas Madhowji Thackersey, Mr. Hossain Imam, and two co-opted members, of whom one will be the Export Trade Controller, Bombay. Questions regarding the distribution of cloth and yarn and administration of the anti-hoarding order have been entrusted to the Distribution Committee, of which the Chairman of the Board will be the Chairman. Since the efficient distribution of cloth depends on transport, a separate Committee has been constituted for that purpose. This Committee will tackle the problem of transport of finished goods so as to ensure their steady flow to the consumer, as well as that of all materials, excepting raw cotton, required by the mills for manufacturing cloth.

Two items which bear an important influence on the cost of manufacture are mill stores and raw cotton. These will be dealt with by three Committees. Out of these three, two, namely, the Mill Stores and Priority Assistance Committee and the Cotton Movements Panel are already in existence, while the third Committee - the Cotton Committee - will be a new body placed in charge of questions relating to raw cotton, excepting its movement, and its prices. A separate Committee has been formed to deal with problems affecting the handloom weaving industry in the country.

Drive against Hoarding. - It is learnt that one of the questions brought before the Board was the anti-hoarding orders issued by certain provincial Governments prior to the constitution of the Board. Since the Board has been vested with full powers to take measures against hoarders, it is thought that the powers assumed by the Provincial Governments should be withdrawn or their orders be rescinded. It is likely that the Chairman of the Board will draw the attention of the provincial Governments to the multiplication of agencies administering the control and request them to withdraw their orders so that the Board can be the only authority exercising full control over distribution.

According to the Times of India, the control foreshadows a reduction in prices of cloth to the extent of at least 25 per cent from the rates prevailing during May and April, 1943. If the main objective of control, namely, supply of cloth at prices the masses can pay, is not achieved, the Board may proceed to institute complete control over the industry and take other measures to succeed in its mission.

(The Times of India, 30-6-1943.) ✓

Cotton Cloth and Yarn (Control) Order, 1943:  
Advisory Board Formed. ✓

Reference was made at pages 34 to 38 of our May 1943 report to the new scheme for controlling prices and production of textile goods in India, which was agreed on between the Government of India and the Indian Textile industry at the meeting held at Bombay on 1 and 3-6-1943. On 17-6-1943, the Government of India issued the Cotton Cloth and Yarn (Control) Order, 1943, setting forth measures to control the prices, production and sale of cotton cloth and yarn and to prevent hoarding by manufacturers and consumers. The Order gives effect to the agreement.

Textile Control Board set up. - The Order sets up a Textile Control Board consisting of 25 members with a non-official chairman to be designated by the Central Government, through the Textile Commissioner in declaring and defining classes and specifications of cloth and yarn which may be manufactured by mills; fixing maximum prices both ex-factory and retail, and prescribing the marketing markings which manufacturers shall make upon the cloth manufactured by them.

Disposal of Existing Stocks. - The Order ~~six~~ calls upon manufacturers and dealers to declare not later than August 15, 1943, stocks of cloth and yarn held by them on July 31 and requires them to dispose of such stocks before October 31. All cloth manufactured after July 31 and bearing the specially prescribed markings is to be disposed of by retail sale within six months of the date of packing by the mills. No manufacturer is allowed to hold stocks equivalent to more than three months' production of cloth and not more than two months' production of yarn. No person other than a dealer or manufacturer is at any time to have in his possession cloth or yarn in excess of his normal requirements; but no prosecution for contravention of this provision can be made without the provincial Government's previous sanction. Power is given to the Textile Commissioner to order inspection of books and entry into and search of premises and the furnishing of necessary information. Courts are given power in addition to any sentence to order the forfeiture of stocks. Indian States are being invited to issue similar orders.

(The Gazette of India Extraordinary,  
dated 17-6-1943, pages 407 to 408.) ✓

Cotton Cloth and Yarn (Forward Contracts Prohibition) Order, 1943 ✓

On 25-6-1943 the Government of India issued the Cotton Cloth and Yarn (Forward Contracts Prohibition) Order which prohibits persons from entering into forward contracts in ~~respect~~ respect of cotton cloth and yarn.

(The Gazette of India Extraordinary  
dated 25-6-1943, pages 417 to 418.) ✓



Criticism of Order by All India Yarn and Cloth Merchants' Conference.

At the All India Yarn and Cloth Merchants' Conference held at Bombay on 3 and 4-7-1943 under the presidentship of Mr. Gordhandas G. Morarji, the Cotton and Cloth and Yarn (Control) Order was criticised and the Conference demanded several modifications in it. In the course of the presidential speech, Mr. Morarji dealt with the vicissitudes of the cotton textile industry in war-time and referred to the various reasons for shortage of cloth in the country in spite of increased production of mills. The chief causes of the resulting situation were the utterly inadequate internal transport facilities and the vast exports of textile goods to outside countries.

The Conference adopted a resolution welcoming the spirit and the declared intentions of the Control Order and offering the support of the interest to any "practicable and workable scheme which might be devised for the purpose of achieving that object". But the Conference viewed with great concern the recent order for the control of the cloth and yarn trade, in its present form, as some of its provisions "are impracticable and ill-conceived and have already created complications and confusions in the trade." After pointing out that it was not possible for merchants to open out all the bales of cloth and yarn in their stock, as required by clause 14 (1) of the order, as the goods could not be sold or disposed of by retail sales before the stipulated time and would get damaged and spoiled before reaching the consumers, besides involving the merchants in considerable loss, the conference requested the Government and the Control Board to consider their decision and make necessary amendments in the order, so as not to compel merchants to open out their entire stock of bales. From the previous experience of the merchants extending over years, the conference resolved that it was absolutely impracticable for all the wholesale and retail cloth and yarn merchants in the country to dispose of their entire stock within the time limit prescribed in the order. It, therefore, requested Government not to insist upon the time limit for wholesale or retail sales. If, however, Government insisted on the time limit, the conference requested that no time limit should be prescribed for the sale of stock held by dealers up to July 31, 1943. Further, the time limit prescribed should be sufficiently long so as to enable merchants to sell their remaining goods of outstanding contracts of which deliveries were to be taken. The conference also requested Government to "declare their intentions about dealing with stocks remaining in balance on stipulated dates so as to clear doubts, misunderstandings and apprehensions from the minds of merchants and restore their confidence." In view of the impracticable nature of the various clauses of the Order, it might not be possible for merchants, especially small dealers, to understand their proper implications and to comply with them. In such cases, the conference wished that the merchants should not be considered guilty of contravention of the Order and their goods should not be forfeited. The conference considered the punishment of forfeiture of goods as "too drastic". As submission of returns of various kinds of cloth and yarn by small dealers was very "inconvenient and difficult", the conference requested Government to exempt small dealers from compliance with the provision in the Order which compelled them to do so.

To deal with all questions arising out of the promulgation of the order, the conference decided to appoint a Standing Committee, consisting of about 40 members, representing yarn and cloth interests all over the country, with power to co-opt, and empowered the committee to take necessary steps to safeguard their interests. With a view to getting the difficulties of yarn and cloth merchants removed, the conference

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authorised a deputation of not more than eight representatives (to be nominated by the President on particular occasions) to meet the members of the Textile Board and the Millowners' Associations and to place before them constructive suggestions so as to improve the present situation. The deputation will work until the Working Committee of the Standing Committee is formed. The conference further resolved to constitute itself into the Federation of Cloth and Yarn Merchants' Associations in India, with its constituent associations as the first constituent members. It empowered the Standing Committee to frame the constitution of the Federation and to take necessary steps to enable the Federation to start functioning.

(The Times of India, 6-7-1943.) ✓

The Madras Mill-made Standard Cloth (Control of Distribution and Sales) Order, 1943. ✓

The Government of Madras has, on 21-6-1943, promulgated under the Defence of India Rules the Madras Mill-made Standard Cloth (Control of Distribution and Sales) Order, 1943, under which no person is to sell or offer for sale any mill-made standard cloth unless he has been granted a licence under the order. It also fixes the quantity of standard cloth to which a buyer is entitled and provides that the price will vary in accordance with the rates fixed by the Central Government from time to time.

(Rules Supplement to Fort St. George  
Gazette dated 22-6-1943.) ✓

The Madras Handloom Standard Cloth Control Order, 1943. ✓

The Madras Government has, under the Defence of India Rules, issued on 24-5-1943, the Madras Handloom Standard Cloth Control Order, 1943, ~~under which the trade in standard cloth may be carried on only with the permission of, and at prices fixed by, the Commissioner from time to time. For the purpose of the order, "handloom standard cloth" means cotton piecegoods woven or processed and finished in accordance with the specifications approved by the Yarn Commissioner. Under the order, handloom standard cloth may be woven, processed or finished only by persons authorized by the Provincial Yarn Commissioner, Madras.~~  
Trade in handloom cloth may be carried on only with the permission of, and at prices fixed by, the Commissioner from time to time. For the purpose of the order, "handloom standard cloth" means cotton piecegoods woven or processed and finished in accordance with the specifications approved by the Yarn Commissioner. Under the order, handloom standard cloth may be woven, processed or finished only by persons authorized by the Provincial Yarn Commissioner, Madras.

(Rules Supplement to Part I, Fort St. George  
Gazette, dated 1-6-1943.) ✓

Plight of Bengal Handloom Weavers:  
Wide Discrepancy in Prices of Yarn and Cloth. ✓

The conditions of the handloom weavers of Bengal due to the exorbitant rise in the price of yarn with no corresponding increase in the price of handloom products is described in a statement issued by Mr. B. Haralalka, Secretary, All-Bengal Weavers' Association. Comparing the current prices to the pre-war level, he pointed out that the prices of yarn have increased from 600 to 700 per cent. while the prices of handloom production have enhanced by only 200 to 250 per cent. As a result the small capital the weavers had, ~~has~~ has been completely exhausted and most of the looms are closed down. On the model of the Madras Government, the Association manufactured standard handloom cloth and distributed it to the poor people. But in Bengal, unlike as in Madras, there is no arrangement made by Government to supply yarn at controlled price.

(The National Call, dated 22-6-1943.) ✓

The Madras Essential Articles Restricted Acquisition  
Order, 1943. ✓

The Government of Madras has, under the Defence of India Rules, issued on 14-6-1943, the Essential Articles Restricted Acquisition Order, 1943, under which no person is to acquire, except under licence, any "essential article" if by so doing the quantity thereof in his possession or under his control will exceed the normal quantity required by him. The restriction does not apply to the acquisition in the ordinary course of his business of any essential article by a person carrying on the business of a producer, dealer, manufacturer, carrier, or warehouse man. Normal quantity, as defined in the order, is such quantity as would be required for use and consumption in the household or establishment or of the animals in the custody of a person during a period of one month or such longer period as may, by notification in the Official Gazette, be declared by the Provincial Government. "Essential Articles" means rice, maize, cumbu and ragi. In Madras city the Order comes into force on 15-6-1943.

(Rules Supplement to Part I of the Fort  
St. George Gazette dated 15-6-1943.) ✓

The Madras Rationing (Preparatory Measures) Order, 1943. ✓

The Government of Madras has, under the Defence of India Rules, issued on 14-6-1943, the Madras Rationing (Preparatory Measures) Order, 1943, under which Government may appoint Enquiry Officers for the different areas in the province for the purpose of collecting information and statistics relating to the rationing of essential commodities.

In Madras City, the Order comes into force on 15-6-1943.

(Rules Supplement to Part I of the Fort  
St. George Gazette dated 15-6-1943.) ✓

Cheap Food Supply to Lower paid Bihar Government Servants  
and Poor People. ✓

With a view to giving relief to Government employees and to the poor, the Government of Bihar has decided to open two kinds of shops, namely, (1) Departmental Shops, which will serve essential services and Government employees, and (2) Government Fair Price Shops for the benefit of the poorer classes of the community. At these shops certain essential commodities will be sold at fair prices - in particular, rice and other essential foodgrains.

It is proposed that these <sup>Departmental</sup> shops will cater for Government servants drawing Rs. 150 a month or less and their direct dependants. Government Fair Price Shops for the poor will be organised by District Magistrates and it is understood for the time being one shop in each Mohalla will be opened from where people belonging to the poor class will be entitled to receive their supplies. All other sections of the community will have to rely on the movement of goods secured by private trade through normal channels.

The Government is making large scale purchases of foodgrains and has succeeded in buying considerable stocks. In course of time, it is proposed to take over the distribution of other essential commodities in addition to foodgrains, namely, kerosene, sugar, standard cloth, washing soda, mustard oil and ghee.

(The Amrita Bazar Patrika, dated  
23-6-1943.) ✓

The Governor of Bengal issued on 4-6-1943 the Bengal Foodgrains Enquiries and Control Order, which extends to the whole of Bengal and comes into force immediately. Under the order, any person, who is an adult, on a demand made by an authorised officer or a committee, shall furnish full and true information of the stocks of all foodgrains in his or her possession, together with such other information as may be required. If the stock of any foodgrains, other than seeds of paddy, in the possession of any person, exceeds the quantity of such foodgrains actually required for the use of its owner and his dependants, including servants, up to 31-12-1943, or if the stock of seeds or paddy in possession of any person exceeds the quantity of such seeds actually required for the growing of paddy on the lands of the owner during the next agricultural season, the authorised officer may, by a notice, require the owner or the person in possession of such foodgrains or seeds not to dispose in any way any amount of such excess without the permission in writing of the Regional Controller of Civil Supplies of Calcutta and the industrial areas in the case of Calcutta, or the sub-divisional magistrate elsewhere, until any further order is issued by the Controller or sub-divisional magistrate regarding the amount of such excess. The Governor of Bengal has ordered that any matter intended or likely to incite opposition to, or non-participation in, measures to be taken in Bengal to prevent, detect or deal with hoarding and hoarders of foodgrains shall, before publication, be submitted for scrutiny to the press advisers.

(The Calcutta Gazette Extraordinary,  
Part I, dated 4-6-1943, pages 3312  
95-96 and Times of India dated 7-6-43.) ✓

Rice Supply Depots in Madras City ✓

Owing to scarcity, rationing and other measures are being adopted in various places in the Madras Presidency to ensure equitable distribution of rice. In Madras City, 38 "fair price depots" have been opened at various centres, where boiled rice is being sold at the instance of the Government. Some of these depots are for women only. Each person is provided with a rupee's worth of rice at a time. The authorities propose to increase the number of depots to 80. To prevent 'panicky buying' and the same persons going from depot to depot, and hoarding rice, the Collector of Madras has decided to introduce a system of identification cards for buyers with provision for entries of purchases made.

(The Times of India, dated 12-6-1943.) ✓

Bengal Trade Union Congress's Resolution on Food Crisis ✓

At the annual General Meeting of the Bengal Provincial Trade Union Congress (attended by representatives of 81 unions with a membership of about 82,000) held at Calcutta on 13-6-1943, a resolution was adopted on the acute food situation prevailing in the country. The resolution deplored the failure of the Government of India to adopt a sound food policy to increase production to meet the food deficit, and urged upon the Government to set up a competent central machinery, with popular representatives and Government experts, with full powers to complete within a fortnight a comprehensive survey of all available food stocks and secure all necessary information in order to control food stuffs at their source. It demanded opening of controlled shops, one for every 500 persons, abolition of the

stockists' license and issue of sale licenses only for individual requirements, and supply to all workers under all conditions of uniform quantities at uniform rates.

(The Amrita Bazar Patrika, dated 23-6-1943.) ✓

The Foodgrains Movement and Control Order (Eastern Region), 1943

The Regional Commissioner, Eastern Region, has, under the Defence of India Rules, issued on 24-5-1943, the Food Grains Movement and Control Order, 1943, under which, as from the date of the order, no person is to export food grains from the Eastern Region (comprising the provinces of Assam, Bengal, ~~the~~ Bihar, and Orissa) except under and in accordance with a permit issued on that behalf by the Regional Commissioner, Eastern Region.

(The Gazette of India, Part I, Sec. 1, dated 12-6-1943, pp. 621-622.) ✓

Review of Indian Steel Production:  
Better Co-ordination suggested by Anglo-American Steel Mission.

The Anglo-American Steel Mission visiting the U.S.A. and certain countries of the British Empire (Australia, New Zealand and South Africa) for studying problems connected with the production of steel, completed its tour of India towards the middle of June, 1943. The mission included Sir John Duncanson, British Controller of Iron and Steel Supplies, and Mr. Emerson, President of the American Rolling Mill Company.

At a press interview at New Delhi on 14-6-1943, Sir John and Mr. Emerson expressed the view that they were very pleased with steel production in India and were glad that their suggestions for co-ordination had been welcomed by the authorities. They said that the Mission had visited the main steel plants and was gratified at the contribution India was making to the United Nations' steel resources. Taking into account all factors, they thought that Indian production could stand comparison with production in other parts of the world. Fundamentally, India was working on the right principles and what was needed was co-ordination. They added: "We wish to see each of the United Nations help itself as much as it can with its own production as part of the whole scheme. We have suggested schemes for that, which, we hope, will develop." They, however, stressed the need for closer ~~emphatic~~ co-ordination of the industry.

On the completion of the tour the Mission will submit a report to their respective Governments.

(The Statesman, dated 16-6-1943.)

Scheme for Expansion of India's Machine Tool Industry.

The Supply Department's plans for establishing a first line machine tool industry in India have advanced another step forward by the arrival of two senior technical experts from Great Britain. They are Mr. S. Oldfield, who first came out to India as a Technical Adviser to the Roger Mission and who, prior to his departure for India, was connected with the Machine Tool Control in the U.K., and Mr. Trubshaw who was for many years Planning and Production Engineer and later organising machine tool manufacture for a well-known firm of British machine tool makers.

Details of Scheme. - The scheme contemplates the expansion of the machine tool production of five of the leading firms in India and the concentration of these firms on the manufacture of machines of high quality and first class accuracy. In order to assist this aim, Messrs. Oldfield and Trubshaw have been assured of the goodwill of the British Government and supply by it of drawings, fixtures and manufacturing information on the main types of machines. The buildings and extensions to workshops needed are almost complete and will be ready by the time the bulk of the plant arrives. Parts of the new plant are now arriving in a continuous flow and it is estimated that the major portion will be received and installed by August, 1943. The scheme envisages a production of 100 to 125 high class machine tools per month from the five firms alone. The target for the whole of India is 500 machines per month, which will be made up of first, second and third grade tools. India's present production - a war industry - is some 275 machines a month. The increased production will be obtained by rationalisation of both manufacturing firms and the types and numbers of types manufactured by each firm. This rationalisation, based on surveys of the industry made by the Technical Advisers and officers of the Machine Tool Control, will be more or less on lines similar to the rationalisation carried out in the U.K. and U.S.A.

Three objects of the scheme are:- (1) to increase India's contribution towards the war effort; (2) to reduce the necessity of importation and thus save valuable shipping space; and (3) to establish on a firm foundation, a machine tool industry for peace-time India.

("Indian Information", 1-6-1943.) ✓

### Employment

#### Reservation of Civilian Posts for Servicemen after War: Madras Government's Instructions re. War-time Recruitment. ✓

The Government of Madras has issued instructions for filling vacancies in public services temporarily during war by direct recruitment. After the war the services of the candidates so appointed, will, except as provided below, be terminated once for all if war service candidates are available to replace them. Candidates whose services have been so terminated will have no further claim to be reappointed in subsequent vacancies to fill which fresh recruitment will be made by the normal method. But if a ~~suffi~~ sufficient number of war service candidates are not available to fill all the reserved vacancies, then the vacancies remaining after absorbing such candidates would be filled in the following order: 1. By persons who completed their probation before 1-1-1943. 2. By persons who were appointed before 1-1-1943 but who complete their probation on or after that date, ~~and~~ 3. By persons who were appointed on or after 1-1-1943.

(The Hindu, 14-5-1943.) ✓

#### Measures to improve Efficiency of Technical Trainees. ✓

Higher standards of efficiency to be attained by the technical trainees, irrespective of the period of training, will be the main object of the Government of India with regard to the Technical Training Scheme during the year 1943-44. During the last two years the demand for turning out the largest number of trainees in the shortest possible time has met with considerable success, and the number of seats available at Training Centres is now sufficient to meet all foreseeable future demands. By the end of February, 1943, there were about 380 Training Centres under the Technical Training Scheme imparting training in more than 40 different trades, and capable of turning out from 60,000 to 90,000 technicians in one year. Up to February, 1943, 37,275 men had actually passed out and are now employed in the various technical branches of the Defence Services, Ordnance factories, shipyards and civil industry.

Period of Training.- Now that the initial urgent demands for trained technicians have been met, it will be possible to lay more and more emphasis on the standard of efficiency irrespective of the period of training. Although every trainee will be expected to pass out well within the maximum limit of 12 months, the standard of efficiency attained by him will be the sole criterion in testing whether he is fit to leave the Training Centre or not. As a first practical step to achieve this aim a course of basic training will be introduced for all new entrants destined for Metal Working Trades. According to the programme laid down for the year 1943-44 lecture classes will be introduced for the instructors, and improvement in the salaries and prospects of the instructional staff is contemplated. Steps are also being taken to improve the arrangements for trade testing, to issue revised syllabuses of training, containing detailed graded exercises, and to introduce a quarterly competition among Training Centres with shields and certificates of merit for the winners.

("Indian Information", New Delhi, 1-6-1943) ✓

## War Finance

### Capitalising Sterling Pensions and Provident Funds in Britain: Government of India's Tentative Decision.

The Government of India has been having under consideration a proposal for making advance provision for the requisite sterling remittance in London wherewith to meet future payments in respect of pensions, and provident funds for its refined employees in Great Britain. According to press reports in the last week of June, 1943, a tentative decision has been reached by the Government according to which the net capitalised value of the ~~pension~~ pensions and provident funds has been estimated to be £. 240 million to be paid in a lump sum in place of the present system of recovering annual payments.

The arrangement will be merely financial and would amount to an investment of capital sum in return for which the Government of India, at stated intervals, will receive a stated sum of sterling with which it would be in a position to meet these sterling obligations. It is contemplated that the rights of no class of Government servants would be affected nor is it intended to transfer liability to pensioners from the Government of India.

Calcutta Indian Chamber's Protest. - The Indian Chamber of Commerce, Calcutta, has addressed a telegram to The Government, expressing surprise that notwithstanding the strong opposition of the Indian commercial community to the proposal to capitalise pensions and funds, Government intends to proceed with it and allocate such a large sum for the purpose. The committee points out that there are more urgent items for which the accumulated sterling resources may be utilised to the permanent advantage of the country.

(The Bombay Chronicle, 29-6-1943. ✓)

### Government of India's New Loan Programme.

According to a new loan programme announced by the Government of India in a Communiqué issued ~~by the~~ on 25-6-1943, the Third Defence Loan (3 per cent, 1951-54) will be closed with effect from 1-7-1943, and two new loans, - one, a reissue of the 3 per cent. Loan, 1963-65, and the other, the Fourth Defence Loan (3 per cent., 1953-55) - will be opened with effect from 3-7-1943. The amount of the first loan is Rs. 150 millions; that of the other is to be announced later.

(The Statesman, 27-6-1943.) ✓

## Post-War Reconstruction

### Five-year Programme of Post-War Industrial Development: Sir M. Visvesvaraya Outlines Scheme.

The importance of having plans for the post-war industrial development of India ready at hand, and some of them already in execution when the war ends, was stressed by Sir M. Visvesvaraya, President, All-India Manufacturers Organisation, in the course of an address at a meeting of the Central Committee of the Organisation held at Bombay on 20-6-1943. (He had dealt with the same subject earlier at a meeting of the Mysore Chamber of Commerce at Bangalore, on 5-6-1943.)

Co-operation between Government and Industrialists. - Deploing the Government's industrial policy, he observed that the Government for its own reasons, had been opposing industrial expansion and, if prominent industrialists and businessmen also neglected the cause of



industries, one could expect no future for this country. Stressing the need for combined effort, he said that the All-India Manufacturers' ~~Association~~ Organisation is willing to co-operate with the Government in preparing the public mind for rapid industrial advance, but that the successful execution of a five-year plan as such even for industries cannot be attempted without the willing co-operation and support of the Government.

Reconstruction Programme.- He suggested the following measures for inclusion in any post-war reconstruction programme which may be under the consideration of the Government: A plan and programme should be drawn up and kept ready for the investment of about Rs. 10,000 million on basic industries, productive public works, and public utility undertakings in the first five years after the close of the war. Arrangements should be made to quicken production from industries and also from agriculture, with the object of doubling production from both in the course of five to seven years. Provinces and districts should be adequately equipped with banking facilities and with establishments for collecting and maintaining statistics of production, particularly under industries and manufactures. Before the commencement of each year a plan and budget should be prepared and published explaining the operations of the coming year. This should be accompanied by an approximate plan and ~~program~~ programme for the ensuing five years. Provision should be made for adequate tariff protection and for facilities to private persons to import machinery for industries without harassing import duties. Technical and commercial education - higher, middle and lower - should be provided by a liberal allotment of State funds. Heavy industries, particularly automobile, aeroplane, locomotive, ship-building, defence machinery, machinery for the manufacture of industrial plants, tools, etc., should receive early attention, and preferential treatment.

Administrative Machinery.- To implement these proposals, he indicated that the following organisation, or other mechanism on parallel lines, would have to be set up by Government:- Industries should be constituted into a separate Department of the Government of India in charge of a Member of the Viceroy's Executive Council, who has had business experience. An Industrial (or Economic) Council or Development Commission, under the Chairmanship of a prominent industrialist, trusted by the people, is a fundamental necessity and should be established without delay.

The People's Role.- In his address at Bangalore, Sir Visvesvaraya emphasised the urgency for the people themselves forming an organisation. to mobilise men and money to the service of industries, to stimulate self-help, initiative and business enterprise and to secure a higher and progressively rising standard of living.

Press Comments.- The Hindu, dated 25-6-1943, in the course of an editorial article commenting on Sir Visvesvaraya's speech and reviewing the condition of Indian industries in general, points out:- "Only 10 per cent. of the people of India are engaged in industrial pursuits and the efficiency of even these is poor, the average per capita working power of an Indian measured in terms of horse-power hours being 0.47 as against 6.65 of the Britisher and 13.38 of the American. In other countries, where, as in India, industrial production was lower in the pre-war years, advantage has been taken of the war to promote their industries, augment their national income and bring about a substantial rise in the standard of living." A direct result of the Government of India's unfavourable attitude towards starting heavy industries in the country, as says the paper, is "that the Government have had to import at fanciful prices quantities of steel from the United States of America, motor trucks from Canada and ships and aeroplanes from Australia. What kind

of goods and how much of them ~~the~~ the Government has imported from elsewhere have not been revealed.... From such details as the Government has given, from the survey of business conditions, from the number of company flotations and from such unofficial indices of industrial production as are available, the conclusion is inescapable that there has been little improvement in industrial development. Since an increase in national income .... is dependent almost entirely on an increase in industrial output, it is easy to conclude that there has been little rise in national income in India with the result that prices having greatly risen, standards of living have suffered a ~~sharp~~ steep fall, national health is seriously endangered and a setback to national well-being threatened." ~~Referring to the expenditure on war~~  
~~by Sir M. Visvesvaraya, past~~

The Hindustan Times.- Observations on similar lines were made in the course of an editorial article by the Hindustan Times dated 12-6-1943: "Before the war, various ingenious pleas used to be advanced by the Government's spokesmen in the Central Legislature to discourage proposals for locomotive construction, aircraft manufacture or other heavy industries. Time has proved the falsity of these pleas, but though the war has brought increased opportunities for establishing these very industries, the convenient excuse has now been trotted out that as they should concentrate on war work, all these schemes should be allowed to lie over until the war is over. Past neglect and the present policy of lethargy have made it impossible for the country to go forward with any large-scale industrial drive as other countries have done. If Canada has been able to double her national income during the first three years of the war by following a wise industrial policy, India can do the same, but there is no willingness yet on the part of the Government to think on these lines. As stated by Sir M. Visvesvaraya, past experience and the present attitude of the Government have certainly created a fear in the mind of the Indian public that the future of industries in this country is quite unsafe."

(The Hindu, <sup>7</sup> 23 and 25-6-1943,  
The Hindustan Times, 12-6-1943.) ✓

Central Assembly Resolution to set up Committee to draw <sup>up</sup> schemes of Social Security for India. ✓

At the forthcoming session of the Central Assembly which commences ~~on~~ in the last week of July, Mr. Nabi Baksh Illahi Baksh Bhutto has given notice of a resolution recommending that a joint committee composed of 14 members of the Legislative Assembly and the Council of State, with a majority of non-officials elected by both Houses, be set up immediately to prepare a scheme for post-war social security in India on the lines of the Beveridge plan.

(The Statesman, 23-6-1943.) ✓

Post-War Rehabilitation of Sailors, Seamen, Soldiers, etc. in Bengal: Resolution in Bengal Legislative Council requesting Grant of Rs. 500 million from Government of India. ✓

Mr. Nur Ahmed moved in the Bengal Legislative Council on 12-3-1943 that an address be presented to the Governor of Bengal requesting him to make a strong representation to the Government of India to place at the disposal of the Government of Bengal at least a lumpsum of Rs. 500 million for improving the conditions of sailors, seamen, soldiers and other non-combatants actively participating in war efforts in Bengal and for the rehabilitation of the families compelled to evacuate their homes on military grounds.

Moving the resolution, Mr. Ahmed said: Post-war reconstruction plans are being drawn up in other countries and India also should draw up such schemes. In India, the Punjab is taking steps for post-war reconstruction. It has started two funds - "Peasants Welfare Fund" and "Development Fund". The Punjab Government has already approached the Government of India for placing Rs. 2000 million at its disposal for the rehabilitation of soldiers and other non-combatants who will be demobilized after the war. There is need for similar schemes in Bengal too. Bengal has contributed much in man-power to this war. According to some estimates, Bengal has supplied a large number of seamen, nearly 44,000 and according to others, nearly 50,000. From the district of Chittagong, every family has sent one, two and sometimes three sailors or sarangs to take part in the war services. Some have lost their lives, and some thousands are reported to have been missing. Some of them are prisoners in foreign lands. Thousands of non-combatants forming part of labour corps have been recruited from Bengal. There are other aspects also. Owing to military emergency, nearly 3.5 million of persons have been compelled to leave their homes and live in temporary accommodation. Nearly 35,000 families were removed from Chittagong alone and they are now in a very pitiable condition. The problem of rehabilitating all these ~~xxx~~ persons now and in post-war years has to be urgently taken up to minimise their hardship. Government should prepare a skeleton scheme of post-war reconstruction for the benefit of these seamen, sailors, soldiers and non-combatants who are taking an active part in the prosecution of the war and also for the rehabilitation of the persons evacuated on military grounds. The Government of India ~~should be requested to place at the disposal of the Government of Bengal at least a xx lumpsum of Rs. 500 million for improving the conditions of these people.~~

The motion was adopted.

(Bengal Legislative Council Proceedings  
of 12-3-1943.) ✓

Board of Post-War Planning and 12 Sub-Committees set up in  
Hyderabad state..

The Government of Hyderabad State has recently sanctioned proposals to establish a Board of Post-War Planning, consisting of officials and non-officials, to study the problem of Post-War Reconstruction and development, embracing industries, agriculture, forests, communications, public health, technical education, finance, currency, banking, exchange and trade. Twelve committees, consisting of officials and non-officials, will be constituted to study these and allied problems. A new Secretariat, having 8 different sections, under a full-time Secretary to Government, is to be established. The organisation is estimated to cost Rs. 200,000 per year in the initial stages.

Objects of Setting up Organisation: (1) Retransference of Labour.-

If Hyderabad is to launch a programme of economic reconstruction and development soon after the war, it should utilise the time, between now and the cessation of the hostilities, to prepare its plans and be ready with its "blue-prints". The problem of diverting production and man-power, both technical and non-technical, engaged in war work, to peacetime requirements would form a part of the proposed inquiry. The question of finding productive employment for Hyderabad soldiers and officers, who have not received any technical training, will be considered along with other problems. Work will also have to be found for technically trained men. The Board of Scientific and Industrial

Research, established during the war, will have to be retained permanently on a broad and firm basis.

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(2) Improvement of Agriculture.- The question of improving the output and quality of agricultural products and the lot of the agricultural classes is proposed to be tackled under the following main heads: (1) Development of irrigation and electric power derived from water; (2) Development of communications; (3) Scientific research relating to agriculture; (4) Development of experimental farms; (5) Establishment of agricultural schools and a college; (6) Development of cottage and rural industries based on raw materials available in different localities; (7) New policy regarding forests and better utilisation of forest resources and of forest products; (8) Improvement of cattle and facilities for medical treatment, etc.; (9) Colonisation; and (10) Special measures for backward classes and aboriginals.

Constitution of the Board.- A Board of Post-War Planning is to be constituted with the President of the Nizam's Executive Council as its chairman. This Board is to have as its members the Chairmen of the various Committees which are to be appointed to tackle specific questions. It is also to have as its members selected officials and non-officials. The Secretary for the Planning Department, the creation of which is suggested, is to be the Secretary of the Board. The main function of the Board is study of problems of post-war reconstruction and development, embracing industries, agriculture and forests, man-power, scientific research, government works programme, communications, public health, technical education, etc. The Board is to lay down the broad policy and is to co-ordinate the work of the Committees appointed by it.

Appointment of Committees.- The Board would appoint Committees consisting of both officials and non-officials to tackle the following: (1) Irrigation and power, (2) Engineering Industries, (3) Small-scale industries, rural and cottage industries, (4) Industries other than those covered by the two preceding committees, (5) Government works and communications other than Railways, (6) Scientific and industrial research, (7) Education (with special reference to technical education including agriculture), (8) Mineral resources, (9) Rural Development. (In view of the vastness of the problem, two Committees may have to be appointed.), (10) Man-power, (11) Public Health, (12) Finance, Currency, Banking, Exchange and Trade. The members of these Committees would be appointed by the Board from suitable officials and non-officials and the Committees may consult eminent persons from outside Hyderabad or co-opt them as members.

Setting up of Secretariat.- The burden of the spade work would, however, fall on a Secretariat which it is suggested, should have sections dealing with the following: (1) Irrigation and power; (2) Government works and communications other than railways; (3) ~~and~~ Scientific and industrial research; (4) Technical education including agricultural education; ~~and~~ (5) Industrial surveys and investigations: this section should be divided into two, viz., (i) Small-scale cottage and rural industries; (ii) Large-scale industries; (6) Man-power; ~~and~~ (7) Agriculture, forests and veterinary; and (8) Mineral resources.

The Planning Department would rank as a Department of Government and be allocated to the portfolio of a Member of Council, who would be the Vice-President of the Board. The Member-in-Charge will collect information from various departments on behalf of the Committees and establish contacts with technical, commercial and other circles outside Hyderabad for necessary advice and guidance. In view of the importance of this work and the scale on which it is proposed to undertake it, Hyderabad would be prepared to spend large sums of money. The immediate requirements would, however, be met in the initial stage, by spending about Rs.200,000 per year.

("Hyderabad Information", June 1943),

Plea for introduction of Social Insurance Schemes by State:  
Presidential Address of Mr. S.C. Roy at 13th Meeting of Indian  
Insurance Institute.

A plea for introducing a scheme of state insurance along the lines indicated by Beveridge Schemes, was made by Mr. S.C. Roy in the course of his Presidential Address at the Thirteenth annual General Meeting of the Indian Insurance Institute held at Calcutta on 23-5-1943. Dealing with the Beveridge scheme, he pointed out that it "covers the risks with which a man's life is attended from cradle to the grave". Though it was this scheme which had inspired him with the hope that something similar could be done for India, Mr. Roy did not propose to undertake anything so comprehensive in view of India's meagre resources. He said that a scheme of old age pensions will be the easiest to work and the least expensive to finance. People in India are a bit too prone to turn down schemes of social services on the ground of the expenses they might incur. Mr. Roy pointed out that India in the current year was spending on her defence about Rs. 1830 million, an amount more than double her pre-war revenue. If she could find resources for fighting the war, it would certainly be possible for her to find resources in order to fight poverty, sickness, disease and unemployment in her own land. Mr. Roy strongly urged that a start should be made without regard to the initial setbacks. He expected that the expenses entailed by the scheme, estimated at Rs. 350 millions, could be raised without great difficulty.

(The Amrita Bazar Patrika dated 30-5-1943.).

Safety Measures

Safety of Seamen: The Indian  
Merchant Shipping (Emergency Life-Saving Appliances) Order, 1943.

The Government of India has, under the Defence of India Rules, issued on 26-6-1943, the Indian Merchant Shipping (Emergency Life-Saving Appliances) Order, 1943, supplementing the provisions made in the Indian Merchant Shipping (Life-Saving Appliances) Rules, 1934. (These Rules were gazetted by the Government of India at pages 74-111 of the Gazette of India, Part I, dated 5-1-1935.) The present order makes provision for a larger number of life boats and other life saving apparatus to be carried on merchant ships, their better equipment and provision in them of emergency rations, etc.

(The Gazette of India, Part I, Sec. I, dated  
 20-6-1943, pp. 676-670.).

Control Measures.

Electricity Control Order, 1943.

The Government of India has, under the Defence of India Rules, issued on 14-6-1943 an Order authorising licensees under the Indian Electricity Act, 1910, to discontinue or reduce, after due notice, the supply of electrical energy to any consumer, other than a distributing licensee, who without the permission of the appropriate authority - (a) contravenes any direction given him by the Controlling authority, or (b) where no such direction has been given him, (i) exceeds or has exceeded in any month the maximum demand recorded in respect of him during the twelve months ending ~~the~~ 31-1-1943, or (ii) has connected load beyond that notified in writing to the licensee up to 31-1-1943 under the terms of this license.

(The Gazette of India Extraordinary, 14-6-1943,  
 pp. 405-406.).

The Calcutta House Rent Control Order, 1943.

The Government of Bengal has, under the Defence of India Rules, issued on 25-6-1943, the Calcutta House Rent Control Order, 1943, under which landlords in Calcutta are prohibited from charging a rate of house rent which exceeds by more than 10 per cent. the rent charged on 1-12-1941. In the event of any disagreement about rent between a landlord and tenant, the House Rent Controller appointed by the Government is to decide the fair rent. ~~xxxx~~

(The Calcutta Gazette Extraordinary dated 26-6-1943.).

Control of Exports of Handloom Piecegoods to Ceylon

The Government of Madras has issued <sup>on 14-6-43</sup> a press note on the export of handloom piecegoods to Ceylon. ~~on 14-6-1943~~. The note points out that owing to the loss of the Burmese and Malayan markets, the Government of India on a representation made by the Madras Government introduced a scheme in October 1942 under which exports of handloom piecegoods from the Province to Ceylon were licensed freely as and when consignments were actually ready for shipment. It was indicated at the time that if the exports became unduly large it might become necessary to review the position. The exports to Ceylon have become very large and, in view of the deterioration in the supply position of cotton piecegoods in the country, the Government of India has decided to restrict exports of piecegoods to Ceylon and has allocated quarterly quotas for such exports. The quota fixed for the quarter ending June 1943 is 4 million yards. ~~This was exhausted by the middle of May, 1943.~~ An additional quantity of one million yards for the remainder of the current quarter has been allotted, as a special case, to mitigate the hardship caused to the commercial community during the beginning of the quota system. The quota for the next quarter is likely to be 4 million yards only. The manufacturers and exporters of handloom piecegoods to Ceylon are warned against excessive production of piecegoods which find a market in Ceylon only and they are reminded that there is ample scope for the production of suitable types of cloth for sale in India.

(The Hindu, 15-6-1943.).

The United Provinces Cotton Piecegoods Control Order, 1943

The United Provinces Government has issued under the Defence of India Rules, on 26-5-1943, the United Provinces Cotton Piecegoods Control Order, 1943, prohibiting wholesale transactions in cotton piecegoods except among manufacturers, dealers, commission agents and retailers. Business in cotton piecegoods may be carried on only after registration with the Government, and in accordance with the direction of the District Magistrate. Cotton cloth will be date-stamped by the manufacturer, and no dealer or sales agent is to have in his possession for sale cloth more than three months after manufacture.

(The U.P. Gazette Extraordinary, dated 26-5-1943.).

Paper Control and Distribution Association

With a view to relieving, to the greatest extent possible, the position regarding the supply of paper for essential non-Government requirements, the Government of India has decided that the quantity of paper reserved for meeting Government requirements should be reduced from 90 to 70 per cent. of the Indian mill production of paper. Accordingly, 30 per cent. of the paper produced by Indian mills will now be available for non-Government users..

The Government of India has further agreed to the establishment of a joint organisation of Indian Paper Makers' Association and the Indian Paper Mills' Association under the title of the Paper Control and Distribution Association for the purpose of exercising general control over paper mills and their agents and distributors with the object of ensuring that an equitable distribution of the paper now released for non-Government requirements is effected among the different markets and that sales are made at controlled prices. The Paper Control and Distribution Association started functioning with effect from 1-5-1943; its ~~official~~ office is located at Allahabad Bank Buildings, 7, Royal Exchange Place, Calcutta.

(Industrial Bulletin dated 14-5-1943 of the Employers' Federation of India, Bombay.)

Mr. B.M. Birla's Criticism of Government's Paper Control Policy.

Presiding over the annual general meeting of the Indian Paper Mills' Association at Calcutta on 24-5-1943, Mr. B.M. Birla, President of the Association, made a strong plea that in view of the present shortage of paper in the country the Government should take every step for making available additional plant and machinery to the paper mills in order to increase their production to the maximum. He declared that the increase in the demand for paper in the country during the last year was far in excess of the total available supply in the country and that the increase was mainly due to the heavy requirements of the Government and the military which now took up nearly three-fourths of the total production. Mr. Birla emphasized that in order to meet ~~the minimum requirements~~ of the public at least 50 per cent. of the total production should be released by the Government for civilian consumption.

Control against the Interests of Indian Mills. - He also referred to the control over paper prices instituted by the Government of India and pointed out the adverse effects such control had on Indian mills as compared to the bigger and older mills owned by non-Indian interests. While the latter had greatly strengthened their position as a result of the benefit of protection enjoyed by them for a long period, as also due to their bigger production units, the Indian section of the industry which comprised newer and smaller units, could, in face of the uneconomic competition of the older mills and from abroad, hardly establish their markets or build up any reserves so essential to meet the post-war conditions. He, therefore, emphasised the necessity for allowing Indian mills to strengthen their position in order to enable them to protect and develop their interests during the post-war years.

(The Hindustan Times, dated 26-5-1943.)

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**INTERNATIONAL LABOUR OFFICE  
INDIAN BRANCH**

**Report for July, 1943.**

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## NATIONAL LABOUR LEGISLATION

### Government of India

#### Exemption of C.P. Coal Mines from Prohibition of Employment of Women in Underground Work: Notification by Government of India.

The Government of India has on 2-8-1943 exempted until further orders, by special notification, all coal mines in the Central Provinces from the prohibition under the Indian Mines Act of the employment of women on underground work in mines.

(Notification No. M.4091 dated 2-8-1943 of the Department of Labour, Government of India, published in the Gazette of India Extraordinary dated 2-8-1943.)

(The text of the notification and the protest against the exemption made by Mrs. K. Subbarayan, M.L.A. (Central) are given in the section - Social Policy in War Time of this report + Page 20).

### Government of India.

#### The Indian Boilers (Amendment) Bill, 1943

The Central Legislative Assembly passed on 29-7-1943 the Indian Boilers (Amendment) Bill, 1943, amending the Indian Boilers Act, 1923, so as to make provision for the inspection and general regulation of the boiler feed water system. It is pointed out that a serious accident occurred recently as a result of the explosion of an economiser which was part of the feed water system. The explosion was caused by the failure of the economiser tubes due to weakness caused by internal corrosion. The tubes of the economiser had been subject to no regular inspection and had been allowed to deteriorate. It was accordingly considered that provision should be made in the Indian Boilers Act for inspection of the boiler feed water system. (The Hindu 30-7-1943).

(Text of the Bill is published at page 155, part V, The Gazette of India, dated 31-7-1943.)

### Government of India.-

#### The Mines Maternity Benefit (Amendment) Bill, 1943.

The Mines Maternity Benefit (Amendment) Bill, 1943, was adopted by the Central Legislative Assembly on 29-7-1943. (The Hindu, 30-7-1943.) The object of the Bill is explained in the following statement appended to the Bill: "In section 5 of the Mines Maternity Benefit Act, 1941, the period preceding the delivery, for which a woman is entitled to maternity benefit is defined to be 'every day on which she is absent from work owing to her confinement during the four weeks immediately preceding and including the day of her delivery'. It has been brought to notice that the words 'absent from work owing to her confinement' would not apply in respect of a day on which the mine is closed. The intention of the Government was that the woman should receive maternity benefit for every day, except on days on which she attends work and receives payment therefor, during the period referred to. This Bill seeks to give clear effect to this intention and remove the existing doubtful position."

(Part V of the Gazette of India dated 31-7-1943, pp. 163-164).

The Motor Vehicles (Drivers) Amendment Bill, 1943

The Central Legislative Assembly adopted, on 29-7-1943, the Motor Vehicles (Drivers) Amendment Bill, 1943. In the statement of objects and reasons appended to the Bill, it is pointed out: "The Motor Vehicles (Drivers) Ordinance, 1942, authorises requisitioning of the services of persons capable of driving a motor vehicle but does not provide for their reinstatement, on termination of the compulsory service under the Ordinance, in their former employments on the same terms as before. It is considered desirable that such a provision should be made. The Bill makes this provision and also safeguards the position of an employee who is about to be called up for service and who is dismissed by his employer in order to evade the liability to reinstate him." Under the Bill a fine of Rs.1000 and a compensation not exceeding 6 months' remuneration to the employee may be imposed on an employer for refusing to reinstate a requisitioned employee.

(The Gazette of India, Part V, dated  
31-7-1943, pp. 164-5).

Bombay

The Bombay Payments of Wages (Unclaimed Amounts) Rules, 1943

In exercise of the powers conferred by section 26 of the Payment of Wages Act, 1936, the Government of Bombay has issued, on 19-7-1943, the Bombay Payment of Wages (Unclaimed Amounts) Rules, 1943, regarding disposal of unclaimed amounts of workers' wages deposited with authorities dealing with wage-disputes. Under the rules, in case any worker to whom an amount is directed to be paid under section 15, or any persons entitled to claim it on his behalf, fails to draw it from the authority within a period of three years from the date on which the amount is deposited with or received by the authority for payment to the worker concerned, it will, at the end of the financial year, be paid into the Treasury to the credit of the Provincial Government, as ~~unpaid~~ deposit unclaimed, for the eventual benefit of any person who may duly establish his claim thereto.

(The Bombay Government Gazette, Part IV-A,  
dated 22-7-1943, pp. 109-110.)

Madras

Exemption from the Factories Act, 1934 (Re. Hours of Work & Rest)

The Government of Madras has, in exercise of powers conferred by section 43 of the Factories Act, 1934, gazetted, on 18-6-1943, the draft of rules it proposes to make for the exemption of certain categories of industrial employees from the provisions of the Factories Act, 1934, regarding their hours of work and rest.

The draft will be taken into consideration after 28-9-1943.

(Rules Supplement to Part I of the Fort  
St. George Gazette, dated 29-6-1943, pp. 7-12.)

3

SOCIAL POLICY

Second Tripartite Labour Conference, 6 and 7-9-1943

The 6th and 7th September, 1943, are the dates now fixed for the next session of the Tripartite Labour Conference convoked by the Government of India. The items now placed on the agenda are: (1) measures to meet involuntary unemployment due to shortage of coal, raw materials, or to shifts in lines of production; (2) recommendation for setting up suitable machinery to examine and make recommendations regarding measures of social security, including the minimum wage; (3) provision to make standing orders in different industrial areas on the lines of Chapter 5 of the Bombay Industrial Disputes Act; (4) statements from the Provincial Governments regarding parallel tripartite machinery in the Provinces; (5) adoption of the report of the procedure for the Conference.

It is understood that other items may also be added to the agenda.

According to a later communication, the following three subjects have been added to the agenda: (6) principles for fixing dearness allowances; (7) labour representation in Legislatures, local bodies and on Statutory Committees; and (8) model Provident Fund Rules.

September 1943 session of Tripartite Labour Conference:  
A.I.T.U.C.'s Suggestions For Agenda.

The General Secretary, All-India Trade Union Congress, has, in the course of a letter addressed to the Department of Labour, Government of India suggested that the following subjects also should be included in the agenda of the plenary session of the Tripartite Labour Conference to be held at New Delhi on 6 and 7 September, 1943:-

(1) Enquiry into Labour Conditions in Jute Industry.- On this subject, the A.I.T.U.C. points out: A memorandum is being signed by thousands of jute workers of Calcutta for submission to the Government of Bengal, demanding an enquiry committee for dearness allowance. Taking the figures given by the Indian Jute Mills Association, it is found that the average wage in the industry would be about Rs. 23 per month in 1942. The dearness allowance given to the workers in cash is only Rs. 5 per month. In addition, the workers are given very inadequate quantity of rice, dal, etc. at cheap rates from mill shops. The difference between the Government control prices in the market and those charged by the employer's shops allow only a relief of about Rs. 6 per month. Thus over the basic wage of Rs. 23 the worker gets dearness relief of Rs. 11 in all. But the cost of living has risen enormously and cannot be adequately met by the above relief in cash and kind. According to the Controller of Civil Supplies, the cost of living index for May was 292. That should make out a case for dearness allowance of Rs. 40 per month at least. The industry is making war profits and is fully engaged on war orders, the recent being from the U.S.A. for 700 million yards. An Enquiry Committee as requested by the workers, should be immediately appointed by the Government.

(2) Stoppage of Factories due to Lack of Coal and Materials of Production and Control of Production of Cloth.- On this subject the A.I.T.U.C. points out: A mill in Bombay (Jam Mills) put up a notice in June 1943 that a number of looms had to close down because Government orders of coarse cloth had reduced supply of yarn for spinning, enough for all looms. Another mill gave the same reason for closing down of looms. Some mills give Government Orders of cloth as a cause of fall in earnings. The Amalner Mill in Khandesh (Bombay Presidency) closed down several times on the ground that it had failed to obtain coal supplies

from the Supply Department. Workers in a mill at Ellichpur report that the mill gets coal priorities for Government cloth orders, but gets the cloth manufactured in Nagpur, while keeping its own workers unemployed. Government, therefore, should take steps to provide regular supply of coal and other necessary materials to such factories as need them or, in the alternative, make arrangements for the payment of compensation to workers for the resulting unemployment.

(3) Dearness Allowance of Railway Employees and Provision of Food and Essential Articles for them: Need for Independent Adjudication.- The All-India Railwaymen's Federation had approached the Labour Department of the Government of India requesting for adjudication on the question of their dearness allowance, but the Government did not comply with the request. The A.I.T.U.C. suggests that the question should be considered by the Conference with a view to its satisfactory solution.

(4) Machinery for Fixing Minimum Living Wage.- The A.I.T.U.C. points out: The workers in India have several times passed resolutions asking for legislation to create suitable machinery for fixing minimum living wage. But no steps so far have been taken by the Government.

(5) Social Security.- The A.I.T.U.C. suggests: The Government of India should appoint a committee to prepare schemes on the lines of the proposals in the Beveridge Report, with suitable modifications, to establish social security by providing against old age, unemployment, sickness and invalidity and such other disadvantages incidental to the life of industrial workers. The question of social security for workers in India was raised for discussion at the last meeting of the Standing Committee of the Tripartite Labour Conference held at Bombay. But no definite decision was taken.

(The Trade Union Record, July 1943.)

Recommendations of Mysore Labour Welfare Board:

Improved Housing, Inquiry into Occupational Diseases, Sickness Insurance Scheme and Labour Welfare Officers

A meeting of the Mysore Labour Welfare Board was held on 31-5-1943, under the chairmanship of the Commissioner of Labour, Mysore.

The Board considered the usefulness of the appointment of Labour Officers in large industrial undertakings and recommended that all the industrial concerns employing 300 and more persons daily be requested to appoint Labour Officers for liaison work between the management and employees, whose duties, among other things, would be to maintain close touch with labour conditions and promote cordial relations between employees and the management and create an atmosphere favourable to improved production. It was recommended that in view of the importance of providing adequate housing accommodation to industrial employees, Government should be moved to address the municipal councils of all industrial towns in the State to provide necessary facilities to industrial employers in the matter.

The question of the enactment of the Payment of Wages Act, and Employment of Children Act, etc., was referred to a sub-committee of the Board. It was decided that an investigation into the occupational diseases in the State should be undertaken immediately and the enactment of an Act in this behalf was considered desirable and necessary. The Board was in favour of introducing a Sickness Insurance scheme for the benefit of labour in the State.

It was suggested that more facilities should be provided for starting night schools and other labour welfare activities.

("Mysore Information Bulletin", June, 1943.)

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## CONDITIONS OF WORK

### General

#### The Bhagela Agreements Bill Passed by the Hyderabad Council: Penalties for Exaction of Forced Labour.

The Hyderabad Legislative Council, on 19-7-1943, passed the Bhagela Agreements Bill, converting the Bhagela Agreements Regulation, 1936, into an Act. The 1936 Regulation was devised by Government to check the malpractice of forced labour obtaining in some of the Telugu districts of the State. Under the Bhagela system, agricultural labourers, mostly depressed classes, were given loans by landholders on condition that they would repay the loan by working for the landholder. In practice, however, it was found that the debts were never paid off, with the result that these labourers found themselves serving the landholders all through their lives. Under the regulations, which came into operation in 1936, tehsildars (revenue officers) were empowered to examine the Bhagela agreements, which were in many cases oral, with a view to finding out whether these were voluntary and whether these were respected by both parties. The weak spot in the Regulation was the absence of any provision for punishment of those contravening the rules. The new Bill empowers Government officers to hold summary trials in cases of infringements and administer speedy justice to the Bhagelas. Landlords who compel Bhagelas to work in payment of an invalidated or cancelled debt, are also penalised.

( The Hindu dated 19-7-1943,  
The National Call dated 21-7-1943.)

All-India Marketing Board for Sugar:  
Indian Sugar Syndicate's Demands.

In his presidential address at the 6th annual general meeting of the Indian Sugar Syndicate held at Lucknow on 17-7-1943, Mr. Karamchand Thapar outlined the direction which sugar control and distribution operations in the country should take in the light of the experience gained by the industry and other interests concerned during the last 15 months. Reviewing the position of its members during the previous season, with particular reference to the difficulties encountered by them on account of control regulations, he pointed out that most of these difficulties rose from the failure of distribution channels chosen by Government and the lack of provincial collaboration with the Centre. He explained how the operation of these causes had led even during the current season to regional scarcity of sugar and rationing in certain parts of the country, despite obviously heavier production and extremely satisfactory dispatches from the surplus provinces. He also stressed the need for post-war planning and rationalisation of the industry on an all-India basis on the lines contemplated by the National Planning Committee.

The principal resolution adopted by the meeting recommended that, for the sake of better working of sugar control measures, it is absolutely necessary for Government to enlist the active co-operation of the industry and to set up, in consultation with its existing marketing organisations, an all-India marketing organisation for sugar under Government's aegis and supervision, which should be empowered to use its own channels of distribution, and should be given the responsibility to achieve an equitable distribution of sugar throughout the country. Another resolution asked the Government to take steps to give to the industry immediate opportunities for coming into direct contact with the customers of importing countries.

(The Hindustan Times, 20-7-1943.)

Schemes for National Physics, Chemistry and Metallurgical  
Laboratories: Committees set up by Governing Body of Council of  
Scientific and Industrial Research.

The fourth meeting of the Governing Body of the Council of Scientific and Industrial Research was held at New Delhi on 17-7-1943. The Governing Body examined details of schemes prepared by special committees for a National Physical Laboratory and National Metallurgical Research Laboratory, and set up a committee for the scrutiny of a scheme drawn up for a National Chemical Laboratory. A special committee was also appointed for preparing a detailed scheme for a Central Glass and Silicate Research Institute. The Governing Body sanctioned a substantial contribution to the University of Bombay for organizing a department of dye-stuff technology.

Meetings of the Board of Scientific and Industrial Research and the Industrial Research Utilisation Committee were held earlier at New Delhi on 12- and 13-7-1943 respectively. The Industrial Research Utilisation Committee considered reports on action taken for leasing out a number of processes including small carbon electrodes, collapsible tubes and barium chloride. It also considered offers for commercial exploitation of some completed researches in respect of three vegetable dyes and referred these for detailed examination to the Negotiations Committee, along with some fresh research schemes which have reached the exploitation stage. On the recommendation of the Board of



Scientific and Industrial Research, the Governing Body sanctioned some new research schemes. These include: manufacture of direct cotton colours, development of si-cu-bronze preparation of gelatine and development of powder metallurgy technique for the manufacture of self-lubricated bearing and composite metal graphite brushes.

(The Hindustan Times, 19-7-1943.)

Imperial Institute of Sugar Technology, Cawnpore: Research Work in 1942-43

The work of the Imperial Institute of Sugar Technology, for India, during the year 1942-43, was reviewed by its advisory board at its meeting at Cawnpore during the first week of July, 1943, under the chairmanship of Dr. W. Burns, Vice-Chairman, Imperial Council of Agricultural Research. It was revealed at the meeting that valuable results have been obtained from researches carried out at the Institute on the manufacture of important products like solid glucose, food, yeast, butyl xime alcohol, activated carbon, cane wax, refined sulphur and power alcohol. The board considered the work to be of immediate importance and recommended the setting up of pilot plants for the manufacture on a commercial scale of food yeast, butyl alcohol, acetone, glucose and cane wax. Technical assistance to sugar factories and advising Government departments on matters connected with the sugar industry were among the important activities of the institute on which heavy demands were made. According to the programme approved by the board, the institute is to take in hand researches on a number of important problems, such as the manufacture of cellulose and plastics from bagasse, of filter aids from press-mud and of potash, citric acid and lactic acid from molasses.

(The Leader, 16-7-1943.)

Economic Trends in India in 1942-43

The following analysis of the main economic trends in India during the year ended 30-6-1943 is taken from the Report of the Central Board of Directors of the Reserve Bank of India for that period.

Inflationary Tendencies: Increased War Expenditure and Note Circulation.- Japan's entry into the war and the intensification of hostilities in Africa rapidly transformed India into a vital supply base for the strategy of the United Nations in the East and Middle East. The volume of war contracts placed by the Supply Department continued to mount, and the increasing payments received from His Majesty's Government on account of supplies of war materials and services to them and Allied Nations led to a growing accumulation of sterling balances and a large issue of currency for immediate payments in India. The country's own defence expenditure also underwent a considerable expansion from Rs. 1040xxxx million in 1941-42 to Rs. 1900 million in 1942-43, over and above a capital expenditure of Rs. 490 million during the financial year, and the amount of borrowing, long and short term, rose correspondingly. Note circulation and scheduled banks' demand liabilities showed a rise of 62 and 56 per cent. respectively during the year, while the amount of cheques passed through the clearing houses in India supervised by the Reserve Bank increased by 22 per cent.

Rise in Wholesale Prices and Cost of Living: Increased Purchasing Power.- Wholesale prices (Economic Adviser's index) went up by 50

per cent. during the eleven months up to May 1943, the Calcutta index number showing a greater rise of 79 per cent. during the same period. Prices of gold and silver also rose steeply during the year by 69 and 54 per cent. respectively, while the index of variable yield securities advanced by 40 per cent. from June to April 1943. The cost of living followed the trend in wholesale prices, the rise in the Bombay index number during the year being 52 per cent. The extension of war to the Pacific and the scarcity of shipping space led to a severe contraction of foreign trade, while difficulties of transport for civilian goods, speculation and profiteering accentuated the maldistribution and shortages of foodstuffs, cloth and other essential articles.

Disbursements in connection with the war-effort, on the other hand, led to a rapid increase in the purchasing power in the hands of the public, including workers and the producers of primary commodities, not all of which could practicably be drawn off by taxation and borrowing.

Rise in Commodity Prices.— Commodity prices during the year followed a steep and continuous upward course, the general rate of rise being more than double of that in the previous accounting year. The Economic Adviser's General index of wholesale prices (August 1939 = 100) was 110.3 in June 1940, 130.2 in June 1941, 158.6 in June 1942 and showed a much more rapid ascent to 237.8 or by 50 per cent. during the last accounting year. The increase was more or less uniformly distributed over the price levels of primary commodities as a whole and manufactured articles; but the different categories of primary commodities showed highly discrepant trends, the rise in 'food and tobacco' and 'other agricultural commodities' being especially pronounced, being 87 and 79 per cent. respectively, against 8 per cent. only in 'raw materials'. Interesting disparities in the movements of relative prices of various commodities are disclosed by a reference to the Calcutta index number of wholesale prices. The index number for all commodities which had risen from 137 to 182 from June 1941 to June 1942, or by 40 per cent., advanced further to 325 in May 1943, or by 79 per cent. The indices of cereals and pulses which were 154 and 151 respectively in June 1942 had shot up to 473 and 374 respectively in May 1943; sugar showed a comparatively smaller rise from 210 to 311 during the same period while the index of tea declined after a rise during the winter months from 259 to 192 between June and May. 'Other food articles' continued their giddy rise from 294 in June 1942 to 545 in May 1943. The lack of adequate transport facilities, the imposition of provincial barriers and the consequent difficulties of distribution between the producing and consuming areas and the cessation of imports from Burma and the Pacific area in the face of growing demands contributed to the rise in the prices of food articles, which was also assisted by hoarding and speculation and continued in spite of various measures of control over essential commodities such as wheat and sugar.

The rapid and general upward movement in prices is the inevitable reflection of the economic and monetary situation in the country, with a growing scarcity of consumers' and producers' goods available for civilian use and an expanding money supply, both arising in the process of diversion of resources to war service.

Remedial Action by Government: Absorption of Excess Purchasing Power, Curbing of Speculation, and Coordination of Production and Distribution of Foodstuffs and Cloth.— The situation thus created called for a wide range of remedial action. Government gave the situation their continuous attention and as the year advanced concerted a series of measures intended to co-ordinate the proper distribution of foodstuffs and the production and distribution of cloth, to curb speculative tendencies in the commodity and bullion markets and to absorb a part of the excess purchasing power in the hands of the public.

A Food Department was set up early in December for the purpose of integrating all the activities in regard to the purchase, movement and distribution of foodgrains on an all-India basis, although owing to difficulties of securing supplies at controlled prices, the prices of wheat in ~~the~~ primary wholesale markets were decontrolled about the end of January 1943, while free trade in foodgrains was restored in May in the Eastern region comprising Assam, Bengal, Bihar and Orissa. A new Department of Industries and Civil Supplies was constituted in April which gave immediate attention to the cloth situation and in June of this year, as a result of consultations with the cotton industry, a Textile Control Board was set up to advise Government in the working of a comprehensive scheme of control of production, trade and prices of cotton yarn and cloth, which has already brought down wholesale prices. Earlier in May as a part of this scheme, it was sought to stabilise the prices of raw cotton by banning hedge contracts in respect of both the new and current crops. Finally, dealings in forward contracts (excluding delivery contracts) in cotton cloth and yarn were prohibited with effect from the 24th June.

The Excess Profits Tax Ordinance and the Capital Issue Control Order issued in May sought respectively to speed up the process of collection of the excess profits tax in order to draw off a part of the surplus purchasing power seeking avenues, largely speculative, of short-term investment, and to prevent the growth of mushroom companies in the present abnormal conditions.

Industrial Share Market. - The industrial share market had a generally healthy trend during most of the year and the prices of fixed-yield as well as variable-yield industrial securities experienced a more or less steady improvements. The markets were influenced in varying degrees by the war developments, the internal political situation, the measures of economic control and the general economic and monetary outlook in the country. The news of enemy air raids over Calcutta in December brought about a sharp recession in prices of most shares, particularly iron and steel. The markets, however, soon developed a firm trend again on encouraging war news and thereafter prices tended steadily upwards except for a temporary relapse about the middle of March as a result of apprehension ~~during~~ regarding restriction of dividends on industrial shares. Also the rise appeared to be somewhat restrained on account of the exuberance of the commodity and bullion markets, forward transactions in which provided the main outlet for surplus short-term funds. The publication of the two ordinances in May relating to excess profits tax and control of capital issues followed by the cotton yarn and cloth control scheme, had a slight reaction on prices, while the closing of forward trading in commodities and bullion diverted speculative interest to the share market and led to a large increase in the volume of business and fluctuations in prices towards the close of the year.

The Government of India published on the 17th May an amendment to the Defence of India Rules inserting a new rule, namely 94-A, regarding control of capital issues which prohibits the floatation of new companies or the raising of any fresh capital by sale of shares, stocks, bonds and debentures without the consent of the Central Government. Besides prohibition of any prospectus or offer of any shares for sale, the order prohibits subscription by the public to any securities issued by a company in respect of any issue of capital in British India or elsewhere without the consent of the Central Government. The object of the new rule is, as announced by Government, mainly to prevent the growth of mushroom companies which stand little chance of survival in the post-war period and other undesirable practices such as the reconstitution or recapitalisation of ~~many~~ concerns on the base of their present abnormal profits to the detriment of an indiscriminating investing public.

(Summarised from the Report of the Central Board of Directors of the Reserve Bank of India for the year ended 30-8-1943.)

~~Secret~~

Compiling Cost of Living Indices of Industrial Labour in Hyderabad State: Nizam Sanctions Scheme.

The Government of Hyderabad State has sanctioned a scheme for compiling cost of living indices of industrial labourers in certain important centres in the State like Hyderabad, Secunderabad, Gulbarga, Warangal, Nizamabad, Nanded and Aurangabad. The scheme has a two-fold object: namely, to utilize the cost of living indices in adjusting nominal wages to changes in the purchasing power of money in order that real wages may be secured and also for the purpose of calculating changes in real wages. A test survey has already been conducted on a small-scale in the cities of Hyderabad and Secunderabad.

( "Hyderabad Information", July 1943.)

## SOCIAL INSURANCE

### Group Insurance for Industrial Workers: Suggestion to Employers.

Presiding over the 37th annual general meeting of the United India Life Assurance Co., Ltd., held on 7-6-1943, at Madras, the Hon'ble Mr. M. Ct. M. Chidambaram Chettiar, Member, Council of State, and Chairman of the Company, dealt, among other matters, with the importance of Group insurance schemes for industrial workers in India, on account of the benefits resulting from such schemes to the employers in the form of more satisfied and more steady labour force.

Mr. Chettiar pointed out that Group insurance schemes covering all the employees of an industrial undertaking or a combination of undertakings have become very popular in England in recent years on account of the benefits resulting from them to the employers in the form of more satisfied and more steady labour force. It will be a development of great importance to the future of industrial progress in India if the present years of comparative prosperity and surplus profits are used to initiate such schemes for the welfare of industrial workers. He suggested that since, in India too, industrial workers are more specialised and the industrial population more stabilized, the time was suitable for initiating group schemes for insurance, pension, etc. The inflationary character of bonuses granted to workers has also been brought to the notice of employers, Government having recommended that part of the bonuses should be in the form of Defence Certificates. He therefore urged Indian employers to consider whether it is not more desirable to lay aside a portion of their excess profits during the current years toward securing a steady labour force even during the periods of depression, which might come after the war. He also pointed out that the schemes recently initiated by the United India Insurance Company for group insurance of industrial workers were receiving considerable encouragement from employers.

(The Times of India, 1-7-1943.)

### The Secretary of State's Service State Railway Provident Fund Rules, 1943.

On pages 794-799 of the Gazette of India, Part I, Sec. I, dated 24-7-1943, are published the Secretary of State's Service State Railway Provident Fund Rules, 1943 (issued on 1-6-1943) concerning provident funds for permanent, non-pensionable railway servants (excepting those governed by Burma, East Indian, or the Great Indian Peninsular Railway Provident Fund Rules). These rules supersede the existing State Railways Provident Fund and Gratuity Rules and came into force from 1-6-1943.

(Part I, Section 1, of the Gazette of India dated 24-7-1943, pages 794-799.)

Views of the Committee of the Indian Merchants' Chamber  
on Government's Proposed Sickness Insurance Scheme.

The views expressed by the Committee of the Indian Merchants' Chamber, Bombay, in its reply to the questionnaire issued by the Officer on Special Duty (Sickness Insurance), Government of India, on the scheme of sickness insurance for industrial workers contemplated by the Government are briefly noticed below:-

The Committee was of opinion that the present is not a suitable time for considering such measures designed to ameliorate the working conditions of labourers, as, owing to war conditions, industry was going through abnormal times, and the present prosperity cannot be taken as the basis on which it could be burdened with extra costs for providing amenities to labour. Besides, it was urged, such legislation should be considered on an All-India basis and should not be proceeded with piecemeal without taking into account inter-provincial repercussions. It was emphasised that Government should be prepared to apply such measures to labour employed by both the Central and Provincial Governments, as also by quasi-government undertakings. The benefits of such a measure should also be extended to the population dependent on agriculture which was as much as 70 per cent., as otherwise the social amenities extended to industrial labour under such legislation would not be enjoyed by other kinds of labour. It was also pointed out that advanced countries like Australia and Canada in the Empire and Japan in the Far East had not ratified the International Convention regarding sickness insurance. Under the circumstances, India would be placed at a disadvantage in competing with such countries industrially. The Committee drew the attention of Government to its enquiries on the subject made in previous years when the Chamber had doubted the practicability of compulsory contributions from labour towards the working of such a scheme. In 1940 also the Committee had advised Government to defer consideration of such questions for the duration of the war. The Committee invited the attention of Government to decisions taken by a joint Conference of the All-India Organisation of Industrial Employers and the Employers' Federation of India in 1940 to the effect that (i) the State employers and labour should contribute towards the cost, (ii) legislation should be on an All-India basis, (iii) legislation should be made applicable to all important industries and Government undertakings, and (iv) similar legislation should be concurrently enacted in all Indian states.

( "Journal of the Indian Merchants' Chamber",  
July 1943.)

## MIGRATION

13

### Indian Interests in Post-War Burma

Regarding the announcement from Simla that the Burma Government have commenced preparation of schemes for the reconstruction of Burma after the expulsion of the Japanese, it is understood, the Government of India have obtained the necessary assurance that the interests of Indians will receive proper consideration before final sanction is accorded to them. (The Burma Government scheme announced from Simla is also referred to in this report.) These interests fall broadly into certain categories: immigration, rights of Indian labour, citizenship rights, problems relating to property of Indians before the Japanese occupation and ~~Indo-Burma~~ Indo-Burma trade. The Burma Government recognise that Indians will continue to constitute an important section of Burma's population and therefore will consult the Government of India on matters which concern them and representatives of Burma Indians' organisations now resident in India.

(The Hindu, 23-7-1943.)

### Mr. M.S. Aney Appointed Government of India's Representative in Ceylon

Mr. M.S. Aney, formerly Member for Indians Overseas, Government of India, who resigned his post in February, 1943, has been appointed representative of the Government of India in Ceylon.

(The Hindustan Times, 7-7-1943.)

### The Reciprocity (Amendment) Bill, 1943

A Bill to amend the Reciprocity Act, 1943 (vide page 14 of our March 1943 report) was introduced in the Central Legislative Assembly on 29-7-1943 by Dr. N.B. Khare, Member for Indians Overseas, Government of India. Moving the resolution for consideration of the Bill, he pointed out that the original Act had been found defective and as it stood it was virtually unworkable in practice. Under its provisions the rights and privileges enjoyed in India by persons domiciled in a notified British possession could not be cut down, nor was there any provision by which penalties for breach of directions could be imposed. The amending legislation was intended to remove the shortcomings and make the Act effective.

(The Hindustan Times, 30-7-1943.)

The Bill was passed by the Assembly on 3-8-1943. The text of the Bill is published at pages 155-157 of Part V of the Gazette of India dated 31-7-1943.

Tax to be Levied on Agricultural Incomes  
in Travancore.

Addressing the State Legislative Assembly on 23-7-1943, Sir C.P. Ramaswamy Aiyar, Dewan of Travancore, pointed out that in Travancore the question of revision of land tax had to be taken up at once, and said that Government could not see why industries as such should be called upon to pay more than what might be called industrial agriculture such as large scale tea, rubber, coffee and cardamom plantations. He forecast the appointment of a committee to go into the whole question of future land taxation and allied questions like alternative sources of revenue, fragmentation and consolidation of holdings, etc. The Government was provisionally of opinion that the present system of land tax should yield place to a better and more logical system.

Times of India's Comments. - Commenting on this measure as an example for British India, the Times of India writes editorially in its issue of 29-7-1943:-

"Travancore's lead may be expected to influence opinion in British India, especially since the Central Government, having no power to tax agricultural incomes, has advised provincial Governments of the large increase in agricultural incomes - comparable with the rise in industrial and urban incomes - and has pointed to the need to tax these incomes for anti-inflationary reasons.... The imposition of this tax is particularly important in the permanently settled areas where the land revenue, fixed in perpetuity, has resulted in Government getting less than their share of income from the land; at a time when the phenomenal rise in prices has put much money in the hands of certain classes of agricultural producers...

"The whole system of land taxation deserves reconsideration. Income-tax is based on the capacity to pay on actual profits which accrue, whereas land revenue is a fixed charge regardless of the prosperity or otherwise of the cultivator. Government have to give remissions in times of distress, but there is no provision under the land revenue system for a rapid adjustment in times of prosperity, with the result that the contribution of agriculturists to the State exchequer cannot be adapted to fluctuating economic circumstances... There is no doubt that as a fiscal measure a tax on agricultural incomes is more elastic, more scientific and more adjustable to the economic conditions of the cultivator. Every province should seriously consider legislation on these lines both as an anti-inflationary measure and as an experiment in making the new tax replace land revenue. But if the experiment is to mark a permanent reform in our system of taxation, only incomes below Rs. 2,000 should be exempt, otherwise the tax would affect a comparatively small number of landlords."

(The Hindu, 25-7-1943, and the  
Times of India, 29-7-1943.)

Enhanced Land Rates in Sind

The Sind Government have passed orders introducing enhanced rates of land assessment from 1-8-1943. The orders will be announced in the form of a Government resolution detailing the rates which affect 56 talukas in both barrage and non-barrage areas. The new revenue settlement will be in force for 10 years and the rates are expected to yield an additional annual revenue of Rs. 20 million to the province. The revised settlement is based on the sliding scale principle and the standard of assessment has been reckoned at 33 1/3 per cent. of the zamindar's net assets from cultivation, after deducting the zamindar's



~~not to be taken from cultivation after~~

expenses. The assessment to be recovered each year will vary according to the average price of the crop concerned, recorded over a prescribed period each year. The sliding scale is applicable to the cotton, rice and wheat crops.

(The Hindustan Times, 23-7-1943.)

Indian Seamen's Welfare League formed in London

An association of Indian seamen, called the Indian Seamen's Welfare League, has been formed in London in June 1943. The aim of the League is to provide benefits and comforts for visiting Indian seamen of whom there are usually about a thousand in the Port of London. All Indian seamen resident in Britain can become members for an annual subscription of a shilling a year. The League's policy is defined as "looking after the economic, social, and cultural interests of Indian seamen, providing them with recreation in Britain and communicating with their relatives in India in the event of any misfortune."

(The Hindu, dated 5-7-1943.)

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS

The Sind Hakims and Vaidas Bill, 1943

Bill The Sind Government has on 15-7-1943 gazetted the Hakims and Vaidas Bill, 1943. The main object of the Bill is to raise the standard of practice in Indian systems of medicine in the province by giving Hakims and Vaidas (practitioners in two leading indigenous medical systems) the necessary training on modern lines and thereby raising their status. The Bill also contemplates the formation of a Provincial Hakims and Vaidas Council whose duty will be to secure the maintenance of a high proficiency for the practice of the Unani and Ayurvedic systems, including proficiency in surgery and midwifery.

(The Sind Government Gazette, Part IV,  
dated 15-7-1943, pp. 241-250.)

Annual Conference of the Madras Provincial Trade Union Congress,  
Coimbatore, 4, 5 and 6-1943, July, 1943.

The annual conference of the Madras Provincial Trade Union Congress was held at Coimbatore on 4, 5 and 6-7-1943, with Mr. V. Chakkara Chettiar, President, in the chair. 81 delegates, representing 22 affiliated trade unions in Andhra, Tamil Nad, Malabar, Cochin and Travancore, and French India and 35 delegates from 13 unions which would be joining the A.I.T.U.C. in the immediate future, attended the Conference.

**Resolutions.** - Several important resolutions were adopted by the Conference. A resolution on production urged the A.I.T.U.C. immediately to initiate a big drive for production throughout the country without which serious hindrance would be caused to national defence, and demanded the formation of Joint Production Committees. The resolution on rationing protested against the growing deterioration in the food situation in the province, especially condemning the coupon system, by which every family is authorised to buy only a rupee-worth of rice every alternate day, irrespective of the number of persons in the family. In the resolution on 'textile crisis', the Conference protested against Government for giving almost complete autonomy to the mill-owners in respect of organisation of increased production, and their failure to ensure decisive participation of labour. The Conference in another resolution noted that the general wage-level in the province was unjustifiably far below the level obtaining in any other province of the country, and demanded a 25 per cent. increase. Regarding the question of trade disputes, the conference expressed the opinion that adjudication is the only means for redressing outstanding grievances and for avoiding strikes detrimental to production. It condemned the Madras Government for refusing adjudication in several cases. Resolutions were also passed demanding adequate compensation for workers for increased cost of living, stoppage of victimisation of workers, recognition of trade unions and widening of the scope of the Health Insurance Scheme, under contemplation by Government.

**Office-Bearers.** - The following were elected office bearers for 1943-44: President - V. Chakkara Chettiar; Vice-President - P.R.K. Sarma, Vijaykumar; General Secretary - P. Balchandra Menon.

(The Trade Union Record, July 1943.)

Wages

Further Increase in Dearness Allowance of Lower-Paid Madras Government Servants

In view of the further rise in the cost of living, the Government of Madras has decided to grant, with effect from 1-6-1943, increased rates of dearness allowance to its <sup>lower-paid</sup> employees, including those whose headquarters are situated in Indian States adjoining the Madras Presidency.

(Press Note dated 30-6-1943, issued by the Finance Department, Government of Madras.)

Textile Industry

Progress of Sericulture in Mysore in 1942-43

In his speech on 1-6-1943 introducing the State budget for the year 1943-44, in the Mysore Representative Assembly, Mr. K.V. Anantaraman, Dewan of Mysore, reviewed, among other matters, the progress achieved by the sericulture industry in the State during the year 1942-43.

During the year under review, the prevalence of high prices for silk stimulated the development of all branches of the sericultural industry in the State. The area under mulberry increased to nearly 57,000 acres at the end of December 1942 against 38,480 acres at the end of June 1941 and 49,817 acres at the end of June 1942. This increase in acreage gave rise to greater demand for disease-free eggs and for the technical assistance of the Government. The total output of disease-free layings in both Government and aided grainages up to the end of February 1943 was nearly 13 million. Ten new aided grainages were sanctioned during the year, bringing the total number of aided grainages to 72. The experiments in the improvement of pure foreign races had been very successful. In view of the growing importance of the sericultural industry and of the size of the interests involved, a Silk-Worm Diseases Control Act intended to check the spread of silk-worm diseases was enacted, and a scheme of research on the evolution of better varieties of mulberry required by the superior races of silk-worms has been sanctioned for a period of three years.

The most important development under sericulture was the scheme for increasing the production of filature silk for meeting India's growing demand for high grade filature silk required for the manufacture of parachute fabric and components. The possibilities of expanding the production of silk, in the interests of war effort, was carefully examined, and as a result of the negotiations and discussions with the Government of India and certain private interests, it was decided to put up about 1,500 basins, in addition to the number already at work, and to supply the entire production of silk to the Government of India. Under this expansion scheme, which was undertaken with the co-operation and financial assistance, in part, of the Government of India, a filature of 200 basins will be put up at Kankanhalli by the State Government entirely at the cost of His Majesty's Government, the remaining 1300 basins to be installed and worked by private concerns.

(The Mysore Information Bulletin, June 1943.)

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Women's Work

Underground Work of Women in C.P. Coal Mines: Exemption from  
Prohibition granted by the Government of India.

On 2-8-1943, the Department of Labour, Government of India, issued a notification exempting until further orders all coal mines in the Central Provinces from the ~~provision of~~ <sup>Prohibition under</sup> the Indian Mines Act against the underground employment of women. The text of the notification is reproduced below:

"No. M.-4091.- In exercise of the powers conferred by section 46 of the Indian Mines Act, 1923 (IV of 1923), the Central Government are pleased to exempt from 2nd August 1943 until further orders all coal mines in the Central Provinces from the provisions of clause (j) of section 29 of the said Act, to the extent to which regulations made thereunder prohibit the entry of women into underground workings for the purposes of employment."

(The Gazette of India Extraordinary  
dated 22 2-8-1943.)

Protest by Mrs. R. Subbarayan, M.L.A. (Central). - Mrs. Radhabai Subbarayan, M.L.A. (Central), in a statement to the press (issued in the third week of August 1943), urging that the revival of the employment of women for underground work in mines should not be permitted, declares: 'Even in Western countries where conditions in mines are surely far better than in Indian mines, it is held that women should not be engaged for such work. The International Labour Conference of 1934 recommended unanimously an international convention prohibiting women from being employed in underground work in mines. The European workers' delegates declared at that conference that it was 'inhuman' to engage women for such work, though, in principle, work for women should be unlimited and free. The Government of India approved of the convention and introduced legislation for gradual abolition of women labour inside the mines. Why should a good law introduced after much deliberation for humanitarian reasons be suspended now? The same old arguments that were put forward by employers in opposing that measure are now being repeated for cancelling it. The plea of war exigencies gives them a good excuse to influence the Government to do what they want.'

"But the present conditions in the country make it imperative for Government to be extra-vigilant that labour is not cruelly exploited. It is difficult for me to believe that a good law has to be suspended because of the employers' concern for the married happiness of their workers or because sufficient men miners are not available! If the mine-owners and the Government are really concerned about the need for increased production and securing sufficient labour for that purpose, let the Government compel the employers to give their workers better treatment, decent wages and improved living and working conditions which will attract labour and encourage it to put <sup>up</sup> its best efforts. The Government should not allow themselves to be influenced to support a method which is easy and profitable to the wealthy employers but which entails great hardship on the miners."

"I would also point out that if in normal times it was considered inhuman to engage women for underground work, it is much more so in hard days like now. With increasing scarcity of food commodities and soaring prices the vitality of our poor people is rapidly deteriorating. Women, therefore, must be far less fit to stand the strain of underground work. Also what is to happen to their children? Are they to be taken underground, too, or left drugged in their huts?" (The Hindustan Times, 18-8-1943.)

### Holidays

#### Weekly Mill Holidays in Bombay Province: Measure for Even Distribution of Power.

A press note issued by the Government of Bombay early in the second week of July 1943, announces the decision of the Government to re-arrange mill holidays so as to even out the demand for electric power to save coal.

Since the outbreak of war, it is pointed out, demands for industrial power have grown rapidly and the requirements are now reaching the safe limits which can be produced in the power stations. At present all the mills work on the same days and stop for the same holidays. In consequence, power that could be made and utilised on the holidays is being wasted. The Government of Bombay, therefore, has decided to re-arrange the working of mills so that they do not all stop on the same day. The mills have been divided into fix seven groups: all those in the first group will take their holiday on a Sunday, all in the second group on a Monday and so on. On the big religious festival days, however, all the mills will be closed as they are now. As the result of the re-arrangement, ~~maxim~~ only six-sevenths of the mills will be working on any one day and the power load demanded from the generating system stations will be reduced. Sufficient power will then be available to meet all needs every day.

In the absence of such a scheme for spreading out the work of mills throughout the week, it ~~was~~ considered inevitable that the supply of electric power to mills would have to be curtailed, which might lead to the closing down of productive machinery and, in turn, to curtailment of employment and loss of wages to mill workers.

(The Times of India, dated 12-7-1943.)

### Industrial Disputes

#### Strict Enforcement of 'No Strike Without Notice' Order: Bengal Government's Warning to Workers.

In a circular issued to all employers' and registered unions in the third week of July, 1943, by the Department of Labour, Government of Bengal, it is pointed out that it has come to the notice of Government that the order made by the Government of India under the Defence of India Rules, requiring persons employed in any undertaking to give 14 days' previous notice of their intention to go on strike in connection with any trade dispute (vide page 29 of our August, 1942, report) is not being generally complied with. In the earlier stages of the operation of the order the Bengal Government considered that some latitude might be allowed to participants in strikes in which the necessary formal notice had not been given. But the provisions of the order have now become widely known and Government considers that it should be strictly in taking action against leaders who advise labour to go on strike without giving legal notice. It is the Government's view that leaders, whether trade unionists or others, who voice the grievances of labour and seek their redress, are under a clear obligation, where adequate provision is made by the Government for the settlement of disputes, to see that labour observes the order regarding the legality of strikes. It is hoped, however, that strikes and lockouts in connection with trade disputes would be scrupulously avoided and that for any dispute that may occur the machinery prescribed by the Government for conciliation and adjudication will be fully utilised.

In an editorial note, the Amrita Bazar Patrika dated 29-7-1943 offers the following comment on the circular: "The trade disputes....centre at the present moment, in many industries, around the question of dearness allowance and the provision for foodstuffs at a cheaper rate for the workers. The scale of wages is generally extremely low for the large majority of workers. This has made the question of dearness allowance and cheaper food supply an acute one. But the Government is very reluctant to resort to the machinery provided in the Trade Disputes Act, namely, a court of enquiry or a board of conciliation. The situation has been further aggravated by the sympathetic treatment of some of the employers in contrast with some others of the same status. Has not the time come for the Government to direct the Labour Commissioner to examine the business papers of the employers who are in dispute with the workers and see that some sort of profit-sharing is introduced to make the workers' lot a little more bearable."

(The Amrita Bazar Patrika, 27-7-1943.)

### Production

#### Work Stoppages Due to Coal Shortage

##### (1) Calcutta - All Jute Mills to close for week ending 31-7-1943

In view of coal shortage and to avoid any possible intermittent stoppages of work, the Committee of the Indian Jute Mills Association have decided to closed down all the mills in Bengal for one calendar week ending 31-7-1943. In a press note issued by the Association in the third week of July, 1943, announcing this decision, it is pointed out that already some jute mills have been adversely affected by coal shortage and the decision is intended to relieve what would be a source of anxiety to the industry, not the least of which might be effects on labour, and to assist the railway authorities in the difficult tasks they are now tackling. The decision, which is supported by the member mills, will have no adverse effect on supplies against Government orders; for there exist large stocks of goods held by all mills on Government and on civil account.

As regards workers, it has been decided that they should be paid compensation at a fixed allowance for the period of closure. They will also receive their usual weekly amenity allowance and their weekly food rations at the greatly subsidised rates which now rule in the industry.

(The Statesman, dated 24-7-1943.)

##### (2) Cawnpore - Cawnpore Millowners' Notice About Possible Stoppage in Future.

The Employers' Association of Northern India, Cawnpore, posted on 22-7-1943, the following notice outside textile mills in the city:- "The coal situation in Cawnpore now is precarious and the position regarding future supplies is very uncertain. Present advices indicate that supplies in the near future will be considerably curtailed. The Association, therefore, gives advance information that unless present circumstances immediately improve, there will be no alternative but to impose at short notice reduction in the working days of textile mills in the near future. Any such reduction will affect all shifts alike...." It is learned that during the last three months the position regarding coal has been steadily deteriorating. Shorter allotments were made, but even these allotments are not forthcoming. It is estimated that



Cawnpore mills on an average have now only 10 days' coal supplies.  
(The Statesman, dated 24-7-1943.)

### (3) Delhi - Delhi Factories May Close Down.

According to a report in the Statesman dated 24-7-1943, lack of coal in Delhi caused by shortage of railway wagons may soon compel many of the city's industrial concerns <sup>(chiefly textile mills)</sup> to close down. Two factories have already stopped work and a number of others are working part time. Industrial concerns in Delhi require about 320 wagons of coal a month. Of these 170 wagons go to priority concerns wholly engaged on war work. In the last six weeks, however, the priority factories have received only about 20 per cent. of their normal quota and non-priority concerns even less. In some factories the furnaces are being kept going with wood, though this is much more costly than coal and reduces efficiency.

(The Statesman, 24-7-1943.)

## Post-War Reconstruction

### Post-War Development of Civil Aviation

In a communication addressed to the Government of India in the first week of July, 1943, the Committee of the Federation of Indian Chambers of Commerce and Industry has put forth the plea that, since air services will require to be licensed, and, in many cases, receive subsidies, the Government should formulate a definite and constructive national policy for the development of aviation in India as a part of the internal air services. The Committee emphasizes that before the Government commits itself to any future policy, either for imperial or for international collaboration in aviation, it should take adequate steps to consult Indian commercial and industrial interests, and if and when an Empire Air Conference is convened, Indian representation at the Conference should include Indian industrialists or business men selected by the Federation and the Indian delegation should in no event consist only of permanent officials or British aviation experts. It is further pointed out that in any scheme of international air development, India must insist on having an adequate share and must see to it that more developed and advanced countries are not allowed to establish themselves in the country and to utilize the geographical position of India for trans-continental ~~traffic to the detriment of national enterprise~~ traffic to the detriment of national enterprise. As India happens to be on the main trans-continental routes between Europe, Asia and the Far East, it has an immense geographical and strategic importance and, therefore, is entitled to have a say in any plans for development of world-wide or Empire aviation.

(The Hindustan Times, dated 12-7-1943.)

### New Department set up for Rebuilding Burma after Conquest

Plans for the rebuilding of Burma after the expulsion of the Japanese are now being prepared by a special department for reconstruction set up by the Government of Burma in Simla. Two high officers have been sent to England to undertake reconstruction duties there, while in India a number of experts have compiled preliminary reviews of the functions and methods of their departments for the consideration of committees, on which both officials and non-officials are represented.

(The Statesman, 21-7-1943.)

Labour Supply Committee set up at Jubbulpore

In view of the increasing importance of the problem of unskilled labour supply the Central Government has evolved a proposal to set up a Labour Supply Committee in the Jubbulpore area. It is understood that the Committee will co-ordinate the recruitment of unskilled labour for all Government undertakings in the area and arrange a priority for the utilisation of any other recruited labour and the existing labour forces. It will advise local undertakings on measures necessary to secure unskilled labour force, including amenities and conditions of service, grain shops, housing, medical relief, and, where necessary, on the scales of pay and dearness allowance. The Committee will be under the chairmanship of the Chairman, National Service Labour Tribunal, Central Provinces and Berar.

(Unofficial Note dated 16-7-1943, issued  
by the Provincial Information Officer,  
Government of India.)

Progress of Government's Technical Training Scheme:  
over 120,000 Technicians already Trained.

According to a statement made at a press conference at Bombay on 8-7-1943, by Mr. I.A. Esekial, Assistant Director of Publicity and Recruitment, Government of India, over 120,000 young men have been given training under the Government of India's technical training scheme and absorbed in war factories in India. He said that by July, 1943, there existed nearly 400 training centres all over the country, with seats for over 45,000 boys, nearly all of whom are fully trained, under an intensified course, in six months or even less. The scheme covers training in a variety of trades and turns out mechanics, turners, fitters, welders, instrument-makers, draughtsmen, surveyors, boiler-makers, riveters, moulders, textile fitters, tin and copper-smiths, blacksmiths, carpenters, wiremen, roller drivers, vulcanisers, painters, plumbers and upholsterers. While still under training, the trainee is entitled to a stipend, ranging from Rs. 26 to Rs. 45 per month, in addition to the supply of workshop clothing and several other types of equipment entirely free. The scheme has been found successful in meeting the need for thousands of technicians for the army, navy, air force, ordnance factories and also, in some cases, for the railways and civil industries.

(The Statesman dated 10-7-1943, and  
the Bombay Chronicle, 15-7-1943.)

Expansion of Bevin Training Scheme:  
Plan under consideration

Addressing Indian trainees, under the Bevin Scheme, in London, Mr. Bevin, British Minister for Labour, announced that, in view of the clearing of the Mediterranean, the Government was having under consideration a plan for the expansion of the training scheme so that more men might come from India and their stay might be prolonged from six months to nine. It was intended to show the trainees how industry was run and managed so that they could play a very important role in the future industrial development of India.

(The Statesman, dated 11-7-1943.)

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Workers' Welfare

Savings Banks for Workers, Baroda

The Government of Baroda State has, on 29-6-1943, issued an Order regarding savings banks and thrift societies for the benefit of labour and other classes.

The Order points out that labouring classes in towns, especially in textile mills and other large works, are now in receipt of dearness allowance, bonuses and other payments on a generous scale, and that if proper care is not taken in time for laying by a part of it, acute discontent will result when these extra payments are discontinued at the end of the war. Government's object is, therefore, to see that at least half of the additional emoluments is saved by every labourer. Deposits may be made in either savings banks or credit societies, as the labourer might choose. Investors are assured that it is not a scheme promoted by mill owners and that Government has organised it for their welfare and accepts responsibility for the money deposited and its interest. Employers are to assist in the scheme by collecting the subscriptions on pay days and remitting them to the officer concerned.

Regarding rural areas, it is pointed out that agriculturists who are now receiving ~~large~~ large sums of money due to the high price of agricultural commodities should be persuaded to save a part, so that they may have a reserve to fall back upon when prices fall at the close of the war.

The Government has already opened 22 savings banks in the State. A special officer has been appointed for organising more credit societies and savings banks in important labour centres.

("Federal India and Indian States",  
dated 7-7-1943.)

Scheme to Supply Shark Liver Oil to Technical Trainees

Among the measures adopted to improve the physical standards of technical trainees is a proposal to supply under-developed trainees with shark liver oil.

Arrangements are being made to purchase 48,000 lbs. of the tonic from the Government of Madras. There are about 4,000 civil trainees at training centres who are below the required physical standards, and it is proposed to improve their ~~max~~ health by giving them two tea spoons of liver oil every day.

This measure is in addition to the facilities for games and sports, provided at the training centres since the inception of the Technical Training Scheme with a view to turn out healthy and efficient technicians for Indian industry.

(Unofficial Note dated 19-7-1943, issued by  
the Principal Information Officer, Government  
of India.)

The Lease-Lend Vehicles Control Order, 1943.

The Government of India has on 21-7-1943 issued the Lease-Lend Vehicles Control Order, 1943, regulating the transactions in motor vehicles imported under the lease-lend agreement. Under the order, importers, dealers, <sup>sub-dealers</sup> and purchasers of the vehicles are to follow, in dealings in connection with the vehicles, instructions issued by the Central Government or the Provincial Motor Transport Controllers.

(The Gazette of India, Part I, Sec. I, dated 31-7-1943, pp. 844-848.)

Control of Travel to Foreign Countries

The Government of India has, under the Defence of India Rules, issued on 17-7-1943, an order prohibiting travel from India to destinations outside India except under the authority of a written permit from the Deputy Controller, or Assistant Controller in the Exchange Control Department of the Reserve Bank of India. Persons exempted include transit passengers, and those proceeding to destinations in the French or Portuguese Possessions in India, Ceylon, Nepal, China, Tibet, Afghanistan, Iran, Iraq, the Arabian Peninsula, British East Africa, Seychelles or the United Kingdom.

(The Gazette of India, Part I-Sec. I, dated 17-7-1943, pp. 751.)

The Sugar and Sugar Products Control Order, 1943

The Government of India has, under the Defence of India Rules, issued on 1-7-1943, the Sugar and Sugar Products Control Order, 1943, under which all dealings in sugar such as production, purchase, sale, transport, etc., have, after the date of the Order, to be carried on strictly in accordance with the directions issued by the Sugar Controller, Government of India. The Sugar Controller may also from time to time fix the prices of sugar and sugar products.

(The Gazette of India, Part I, Sec. I, dated 3-7-1943, pp. 703-4.)

The Cinematograph (Film (Footage Control) Order, 1943

The Government of India has issued on 17-7-1943, under the Defence of India Rules, the Cinematograph Film (Footage Control) Order, 1943. The principal provisions of this Order are: (1) No person shall exhibit in any one show for public entertainment a total length of film exceeding 14,500 feet. This shall include:- (1) a feature film not exceeding 11,000 feet in length, (2) one or more propaganda films the total length of which is not less than 2,000 feet. After the 14th September 1943 these films shall be "approved films" as defined in rule 44-A of the Defence of India Rules.

(The Gazette of India Extraordinary dated 17-7-1943, p. 531.)

Electricity Rates in Bengal Enhanced

The Government of Bengal has, under the Defence of India Rules, issued on 28-6-1943, an order permitting electricity supplying agencies in the province to levy, with the previous approval of the Government,

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a surcharge on their rates with effect from 1-7-1943. The maximum surcharge rates allowed are 25 per cent. in the case of those producing agencies using diesel oil or steam, for the generation of energy, and 15 per cent. for those using hydro-electric power, both based on the lowest rates charged between 1-9-1939 and 30-4-1943.

(The Calcutta Gazette, dated 1-7-1943,  
Part I, p. 1139.)

The Madras Potato(Dealers and Transport) Control Order, 1943

The Government of <sup>Madras</sup> India has, under the Defence of India Rules, issued on 25-8-1943, the Madras Potato (Dealers and Transport) Control Order, 1943, under which, with effect from 1-7-1943 no person may carry on business as a wholesale dealer in potatoes or store for sale potatoes in wholesale quantities in the district of the Nilgris or in the Kodaikanal taluk of the Madurai district except under and in accordance with a licence issued under this order by the Commissioner of Civil Supplies, Madras, or by an officer authorised by him in this behalf. A similar permit is required for transporting potatoes in excess of half a maund (1 maund = 82 lbs.)<sup>to</sup> any place outside the province.

(Rules Supplement to Part I, Fort St. George  
Gazette dated 29-8-1943.)

Food

All-India Food Conference, New Delhi, 5 to 8 July, 1943.

The more important decisions reached by the Government of India on the recommendations made by the All-India Food Conference held at New Delhi from 5 to 8-7-1943, were reviewed on the last day of the Conference by Sir M. Azisul Huque, Food Member, Government of India. The decisions are briefly noticed below:-

Basic Food Plan to Continue.- The Government of India has accepted the suggestion that in the present conditions it is necessary to continue the basic food plan subject to such changes as required for adjusting the surpluses and deficits of the various Provinces and States. In view of this decision, procurement operations in execution of the basic plan thus modified have to continue, and it has been decided that they should be carried out either directly by Government or by agencies under the full control of the Provincial or State Governments. The Government of India will, during the coming months, most carefully watch the progress of all procurement operations and will, from time to time, take all necessary steps to accelerate the progress of all purchases, so urgently necessary in the interest of the deficit areas. Every attempt will also be made to expedite the transport of not only all available foodgrains but also of such other foodgrains as may be procured from time to time.

Stern Measures against Hoarders and Profiteers.- It is emphasised, however, that unless the Foodgrains Control Order is vigorously enforced by all the Provinces and States, neither the basic plan nor the procurement operations thereunder can be put into effect with any success. All Provincial and State Governments have therefore to take immediate steps to organise a vigorous anti-hoarding drive. The results obtained by the new drive of the Government of Bengal in these lines have been very encouraging and the Government of India recommends the same lines of action for other provinces.

Rationing in Urban Areas.- The Government of India has further decided that rationing in urban areas should be taken up in a progressively increasing measure and almost immediately, in order to get a firm control over the food situation prevailing in the country as a whole. Large cities in States and Provinces have been found to become bottomless drains with regard to the amount of foodgrains poured into them from time to time. Unless therefore rationing is introduced in these areas, it will not be possible for the Governments to obtain a firm control over the local food situation. Preparatory measures for the rationing of at least the urban areas have, therefore, to be immediately taken up.

Financial and Other Arrangements.- As regards financial settlement as between surplus and deficit provinces in the matter of sale and purchase of foodstuffs, the Government of India has agreed that these matters may be settled by the respective Governments direct and without the intervention of the Centre. As a corollary to this the Government has also agreed that, subject to its agreement, deficit provinces and States would be free within the limits of their basic quota to make a direct approach to surplus areas and wherever possible make direct transport arrangements with railway or shipping authorities. As regards the introduction of free trade in food grains, Government firmly holds the view that free trade will not be considered except as an objective for the return of normal conditions.

Prices.- Government has decided that there should not be any

statutory fixation of maximum prices at the present stage. The prices of all commodities, including foodstuffs, will be closely watched by the Government as they gradually get stabilised under the measures already adopted, and, if necessary, Government will not hesitate to adopt further measures for combating the serious inflationary conditions in India. Price control policy in Provinces and States will, however, be left to the discretion of the Governments concerned.

("Indian Information",  
dated 15-7-1943.)

#### Long-Term Food Planning Committee

The Government of India has recently set up a Long-Term Food Planning Committee, with Mr. H.D. Vigor, Food Adviser to the Government of India, as Chairman and Dr. M.M. Junaid as the secretary. The Committee consists of representatives of the Government of India, the provincial governments, and of the more important States, and a number of non-officials nominated by the Government of India.

It is understood that the committee will examine the past policy and present position in India in relation to the supply, distribution and price of foodgrains in the light of relevant conditions, including those imposed or liable to be imposed by the War, and to make recommendations, both of policy and for administration, for securing, for the duration of the War, maximum supply, equitable distribution and proper control of prices in relation to foodgrains.

("Indian Information", 15-7-1943.)

#### Bombay's "Grow More Food" Drive: Fallow Lands to be Requisitioned.

In furtherance of the "Grow More Food" campaign, the Government of Bombay has decided to requisition fallow lands if the owners do not cultivate the land themselves or by tenants. The Provincial Rural Development Board, at its meeting in March, 1943, recommended that cultivable land which is left uncultivated should either be compulsorily released for cultivation or that a special tax should be imposed on it. A survey of typical villages in Thana, Poona and Ahmednagar districts revealed that nearly 20 per cent. of the total area reported under fallow remained uncultivated ~~xxxxxxxxxxxx~~ on account of disputes among rival claimants and negligence or indifference on the part of owners, and also that the system of rotational fallow is uneconomic. It is not unlikely that similar conditions exist in other districts also. Government has therefore authorised collectors to consider applications for the cultivation of fallow areas in private occupancy for growing food crops, on the same lines as applications for the grant of Government waste land for cultivation of food crops. They will requisition fallow lands in private occupancy required for cultivation under the Defence of India Rules if the owners do not cultivate themselves or by tenants, and will give them out for cultivation on rent free leases for the duration of the war and six months afterwards.

("Bombay Information", dated 10-7-1943.)

#### Central Government's Scheme for Supply of Essential Commodities to its Employees.

The Government of India has introduced early in July, 1943, a scheme for the supply of certain essential commodities on a rationed basis to about 120,000 employees of the Central Government, their

dependants and domestic servants, who constitute a fifth of the population of New Delhi. The scheme gains importance in view of the Government decision favouring progressive rationing of urban areas.

The scheme is designed to ensure that the Government servants obtain their fair share of the existing supplies of the commodities without waste of time and consequential loss of working hours to Government. Arrangements were made in the first instance in respect of sugar, tea and matches. Subsequently coupons have been issued for ~~kerosene~~ kerosene, wheat and rice. The question of extending arrangements to cover fuel is under consideration.

(The Times of India, dated 13-7-1943.)

Sir J.P. Srivastava Appointed Food Member, Government of India

Sir J.P. Srivastava, whose portfolio of Civil Defence has for some time ceased to justify the exclusive charges of a Member, has been appointed on 11-8-1943 to be Food Member, Government of India, in succession to Sir Azizul Haque.

(The Times of India, 10-8-1943.)

Government Scheme for Supply of Cheap Food Grains to Technical Trainees.

A cheap grain supply scheme is being introduced by the Central Government with a view to supply grains at basic rates to training centres under the Technical Training Scheme. As a result of the scheme wheat, rice, gram, bajra, and jowar will be sold to the Trainees either at Rs. 8, Rs. 12, Rs. 7, Rs. 7 and Rs. 6/12 per maund (about 82 lbs.) respectively or at the current control rate, whichever is greater. The Central Government has undertaken to bear any loss incurred as a result of purchasing the grains at higher prices and selling them to the Trainees at these basic rates. Sale of grains under the scheme will be in the form of weekly rations of 5 seers (1 seer = about 2 lbs.) of atta and five seers of rice, or alternatively 5 seers of rice and atta combined in such proportions as may be required. It is, however, being suggested to the heads of the ~~training~~ training centres that in case of abnormal rise in the prices of atta and rice the possibility of reducing quantities of these two grains and of providing supplementary ration of bajra and jowar may be considered.

(Unofficial Note, dated 16-7-1943 issued by the Principal Information Officer, Government of India.)

Employers Urged to Start Cooked Food Canteens for Workers:  
Circular Letter Issued by the Department of Labour, Government of India.

According to a press note dated 3-7-1943, issued by the Department of Labour, Government of India, the need for setting up cooked food canteens for industrial workers is stressed in a letter issued in the first week of July, 1943, by the Government of India, urging all employers to consider the advisability of adopting this measure as part of their general food policy.

The Central Government do not at present intend to place any legal responsibility on employers and feel that initially greater success may



be obtained by voluntary effort. But in view of the advantages likely to accrue from the opening of canteens, and the importance of this measure in raising productive efficiency, all employers in large-scale undertakings and Government employing departments are being asked seriously to consider the proposal to open canteens for their labour.

**Tata's Model Canteen.**- Two model canteens of this type are run by the Tata Iron and Steel Works, Jamshedpur. Started ten years ago, this service has considerably improved and expanded in recent years. Equipped with modern facilities, the canteens are visited thrice every day by 13,000 workers for tea, refreshments and meals. Until recently prices of cooked food served at the canteens were 75 per cent. below the prices current in the local food shops and hotels. At present, in spite of the rise in prices of commodities, prices here are still from 30 to 50 per cent. below the current bazar prices. Particular care has been taken by the management to keep down as far as possible the price of a simple meal consisting of rice, curry, dal and chapattis, the most favourite items on the menu. Generally speaking, it is possible for a worker to obtain a satisfying meal of this type for one anna and a quarter. The canteens are being run solely with a view to provide food for the worker at cheaper rates and there is no tendency to use them as profit yielding concerns. Building and capital expenditure are provided by the Steel Company but the canteens are required to pay a fair rent and are expected to meet all recurring expenses including replacement of utensils and breakages.

Similar arrangements have been made by employers in several other parts of the country. Recently, the Central Government advised all employers to open such canteens for their labour; and the successful working of canteens in some places shows that it is possible to establish this institution on an all India basis.

(Unofficial Note, dated 12-7-1943 issued by  
the Principal Information Officer, Government  
of India.)

#### The Madras Rationing Order, 1943

The Madras Government has, under the Defence of India Rules, issued on 19-7-1943, the Madras Rationing Order, 1943, providing for the strict control of the sale and purchase of certain essential articles by distributors (wholesale and retail) and consumers (households, catering establishments, residential establishments, and institutions such as hospitals, orphanages, workhouses and boarding schools), in the Province. The dates on which the Order will come into effect in different areas of the Province, and the articles to be rationed in such areas, will be announced later.

(Rules Supplement to Part I of the  
Fort St. George Gazette dated 20-7-1943.\*  
Page 1-3.)

War Finance

Rules under Excess Profits Tax Ordinance, 1943:  
Views of Bombay Chamber of Commerce.

The Excess Profits Tax Ordinance, 1943 (vide pages 27-29 of our May, 1943, report) provides, inter alia, that the Central Government may make rules defining the extent to which deductions shall be allowed in respect of bonuses or commissions paid and the principles to be followed in leaving out of account trading stocks and stocks of raw materials, while assessing excess profits. These provisions had two objects: (1) to check evasion of excess profits tax and (2) to combat inflation.

In their reply to the Central Board of Revenue's request for views on the Rules which the Government of India propose to make in this connection, the Committee of the Bombay Chamber of Commerce, Bombay, have drawn attention to the following points:

(1) The amounts payable for any commission or bonus under agreements made prior to the outbreak of war should be allowed as deductions in assessments to excess profits tax. Similarly, also, payments under any ~~establishment~~ pre-war practice as regards the grant of bonuses should be allowed as deductions in assessments to excess profits tax even though such practice was not regulated by any service agreement.

(2) The payment of any commission or bonus to a person promoted since the outbreak of war to a post which, before the war, carried with it such remuneration should be allowed as a deduction in assessments to excess profits tax provided there was no substantial alteration in the basis on which the payments are made.

(3) Any bonuses paid specifically in lieu of cost of living allowances should also be allowed as a deduction in assessments; also bonuses paid bona fide as compensation for extra work done.

In regard to trading stocks and stocks of raw materials, the Committee did not think it would be found practicable to lay down any general ~~max~~ principles as to the quantum or value of stocks to be left out of account, as conditions varied so greatly as between one type of business or industry and another, and between the position of companies engaged in the same or similar businesses or industries. The following, among many other considerations, were noted -

(1) Owing to the variations in seasonal supply of goods and materials, and the existing difficulties regarding transport, the stocks held by any two companies at a time might vary greatly, owing to different views on general policy and their ability to finance stocks which they wished to hold.

(2) It would often happen that the factors mentioned above - seasonal availability of supplies and of the necessary transport facilities - would result in companies holding, on the date on which their annual accounts were closed, larger stocks than would be the normal average throughout the greater part of the trading year.

(3) The balance sheet dates of companies in the same industry varied and the above factors must again vary accordingly.

(Excerpts from the proceedings of the Bombay Chamber of Commerce, June, 1943.)

The Reserve Bank of India (Limitation of Dividend) Ordinance, 1943

As in the opinion of the Government of India an emergency has arisen which makes it necessary temporarily to limit the rate at which dividend on the share capital of the Reserve Bank of India may be paid by the Bank to shareholders, the Governor General, in exercise of the powers conferred by section 72 of the Government of India Act, 1935, has issued on 30-6-1943, the Reserve Bank of India (Limitation of Dividend) Ordinance, 1943, according to which the aggregate of the rates at which payment of the cumulative dividend and the additional dividend payable to shareholders shall not, so long as this Ordinance remains in force, exceed four per cent. per annum on the share capital of the Bank; and the balance of the surplus of the net annual profits shall be paid to the Central Government.

(The Gazette of India Extraordinary  
dated 30-6-1943, pages 421-422.)

Madras Government to Launch Intensive Savings  
Drive.

According to a press communiqué dated 16-7-1943, issued by the Government of Madras, the Government has decided to launch an intense drive for getting, as much as possible of the surplus money now in circulation in both urban and rural areas invested in Defence loans, Defence savings Certificates, etc., to help to meet the cost of the war and to keep down prices. In order to assist members of the public, who are prepared to buy Defence Bonds or Defence Savings Certificates but find the procedure for purchasing them troublesome, canvassers specially authorised by the Collector of each district will establish contact with the public throughout the district and collect subscriptions for the purchase of Government of India Defence Bonds and Post Office Defence Savings Certificates on behalf of the subscriber. The Government hopes that it will be possible by means of this drive to withdraw from circulation Rs. 100 million of excess purchasing power in the Province by December 31, 1943, and so make an appreciable contribution to the success of the Central Government's plans for stopping the rise in prices.

(The Hindu, 17-7-1943.)

Excess Profits Tax to be Levied in Hyderabad State

The Government of the Nizam of Hyderabad has drawn up a bill imposing a tax on traders and businessmen in the State deriving high profits due to the conditions created by the war. The scheme is applied only to trades and businesses, and, even in these cases, profits of less than Rs. 24,000 a year will not be liable to tax. If the normal profits of a business during the pre-war period are found to be more than Rs. 24,000 the exemption limit will be further raised and the amount in excess of such normal profits along will be taxed. In the case of business newly started, the normal rates of profits are fixed at 10 per cent. of the capital for Companies and 12 per cent. for other cases.

The tax will be levied on the aggregate amount of excess profits throughout the whole period of the operation of the Act. If, in any year, the profits fall below the normal profits of the pre-war periods, the deficiency will be set off against the excess<sup>es</sup> of profits in other periods. The bill provides for the collection of 40 per cent. of the excess profits as tax and a further 20 per cent. as deposit. The

deposit is repayable at any time within 3 years after the cessation of the present hostilities with simple interest at 2 per cent. per annum. The deposit scheme has for its object compulsory savings which may be available to industries and businesses during the post-war period for their development.

On a rough estimate, the Government expects to collect by the tax a revenue of Rs. 5 million per year. The tax collected will be utilised wholly to ameliorate the condition of the poorer section of the community and low-paid Government servants by supplying them with foodstuffs and other necessaries of life at reasonable rates.

("Hyderabad Information", July, 1943.)

Control of Capital Issues:  
Explanatory Press Note by Government.

Below is summarised a press note dated 11-7-1943, issued by the Government of India, explaining the objects underlying their order regarding the control of issue of capital on new industrial enterprises (vide pp. 10-11 of our Report for May 1943).

Discouragement of Production of Non-essential Goods.- At the present time there is most serious shortage of many of the most essential goods and services including not only iron and steel, machines and mill stores, but also of skilled labour and of transport facilities. These shortages grow directly out of the war situation, and cannot be wholly remedied so long as the war lasts. In order to prevent a scramble for the available supplies, which can only result in raising prices still further, it appears best to encourage those industrialists whose enterprise will directly assist in aiding the war effort or will be in a position to embark upon production of essential consumers' goods at an early date. There is no public purpose in allowing priority to the manufacture of luxury goods, for instance, when the same capital equipment can go to the production of articles in more common use. Without control of capital issues, there is no guarantee that such supplies as are available will in fact go to the most suitable applicant.

Prevention of Forward Investment on Post-war Enterprises.- Control thus serves in present conditions to further industrialisation on sound lines. These remarks apply with even more force when the contemplated enterprise purports to be in a position to produce only at the end of the war. Such enterprises may also compete for plant, skilled labour, etc., and they can certainly add nothing to immediate productivity. Special care is, therefore, required in dealing with them. Consent will, however, be granted in suitable cases for an issue of capital required to purchase plant or machinery for which an order has been placed for delivery after the war subject to the condition that the money is invested in Defence Loans or other new Government securities and is kept so invested until it can be spent for the intended purposes.

Curbing Speculation.- Moreover, in so far as the new undertakings merely take the form of offering to the public shares in enterprises which were already in existence, but which have been converted to a joint stock basis (sometimes at extremely inflated prices) no net addition to the productive resources of the country is made at all, and the only effects are to swell the speculative boom which is already assuming an unhealthy form, and possibly to secure advantages in the matter of taxation at the expense of the general taxpayer. Secondly, the battle against inflationary tendencies cannot be won unless there is a large-scale subscription to the various loans issued by the Government of India. Although part of the capital subscribed to new banks,

investment trusts and insurance companies will no doubt flow into these loans, Government have to consider whether there is not a danger that a good deal of it may be diverted to speculative uses, such as the financing of hoarding of scarce commodities and loans to the stock exchange, which are definitely anti-social at the present time. (The Hindustan Times, 11-7-43)

Press Comments. - Criticising the plans put forward by the Government in the press note, the Hindustan Times dated 13-7-1943 writes editorially: "As originally it was claimed by the Government that the object of the new restrictions was merely the prevention of mushroom companies, this later amplification of the Government's intentions throws much-needed light on the policy actuating these measures, but we are afraid that these measures also add to the apprehensions already existing in the public mind regarding the exercise of these control powers. We see little in the press note itself to support the claim that control of the kind proposed serves in present conditions to further industrialisation on sound lines. On the contrary, the very fact that the progress of industrialisation itself depends upon the manner in which these powers are used makes it necessary that those charged with the responsibility of controlling capital issues should have a representative body of public men and industrialists to advise and assist them. Nobody wants that priority should be given to the manufacture of luxury goods. Nor can exception be taken to the principle that in order to prevent a scramble for available supplies there should be as wise and careful planning. But who can forget that the present economic ills of the country are themselves due to the Government's failure to industrialise the country in pre-war years? Even after the war began, the narrow interpretation which the Government put upon "war effort" made it difficult for industrial enterprise to go ahead with large-scale plans for the production of essential consumers' goods. The insistence on 'immediate productivity' has also been the cause for preventing the establishment of many an essential industrial concern. To take only one instance, both the public and the Government are now paying the penalty for the latter's short-sighted policy in shelving the Locomotive Manufacture Inquiry Committee's report four years ago. This industry could have been firmly established in this country even a decade ago, but the Government of India took no notice of demands repeatedly made in the Central Legislature.... What is needed from the Government of India is a positive scheme of industrialisation for increasing the production of essential goods and manufactures. Though wartime needs have necessarily to be given the first preference, it would be economically suicidal to ignore post-war requirements..... If instead of indulging in vague assurances the Government would now at least come forward with detailed plans and associate non-official representatives with the Finance ~~and~~ and other Departments in dealing with these questions, it would go far to remove the apprehensions of the public. Even as regards immediate requirements, there are a number of industries which, in the interests of the country's production, have to be immediately started, but the lack of any clear policy on the part of the Government of India has seriously prejudiced these efforts."

Views of the Committee of the Indian Merchants' Chamber, Bombay, on the Excess Profits Tax Ordinance and the Defence of India Rule for Controlling Capital Issues.

Below are noticed briefly the views of the Committee of the Indian Merchants' Chamber, Bombay, on the Excess Profits Tax Ordinance, 1943 (vide pp. 27-29 of our May 1943 report) and the recent Defence of India Rule for controlling issue of capital on new industrial undertakings (vide pp. 10-11 of our May 1943 report), expressed in its letter dated 10-6-1943 addressed to the Government of India.

E.P.T. Ordinance 1943. - The Committee considered it wrong policy for the Government to try to meet the situation created by inflation by collecting under the force of an Ordinance an aggregate sum of Rs. 1000 million due from the public on account of the delayed assessment of E.P.T. It was of opinion that Government should have placed this question of financial adjustment before the Legislative Assembly and got its sanction for such collection. It also invited the attention of Government to the repeated warnings of commercial bodies in regard to the lacuna in the administrative machinery for assessment and collection of the revenue and pointed out that no such situation as at present existing would have arisen had there been proper and efficient control. The Committee deplored that under the ordinance the assesses would be hard hit by the immediate call upon their resources of the aggregate collection of Rs. 1000 million. It was suggested that after the provisional assessment was made only 80 per cent. of the total amount of the provisional assessment should be recovered from the assessee and the balance of 20 per cent. should become payable only after the final assessment was made. The amounts of the provisional assessment could be collected by instalment.

With regard to the determining of the extent to which deductions should be allowed in respect of bonuses and commissions paid, the Committee was of opinion that Section 10(2) of the Income-tax Act gave sufficient discretion to the Income-tax authorities in the matter of allowing items under bonuses and commissions. It, therefore, urged that any further interference made in this respect would prove a hardship to the assesses. As for the provision in the Ordinance for limiting trading stock, the Committee made it clear that it was a retrograde step which would hit hard, particularly those industries which required certain amounts of stocks to be held for future contingencies. With regard to the limitation placed on stocks of raw materials, the Committee stressed the view that while all industries, in general, had of necessity to keep a certain minimum amount of materials in stock to meet nominal requirements, some of them at least will be compelled to be provided with extra stock so as to ensure continuous production under war conditions.

Control of Capital Issues. - The Committee strongly protested against the provision to control capital issues under the Defence of India Rules. It was feared that the structure of industrial finance would be disturbed and a check would be placed on the growth of capital required for the development of new industries. The Departmental Committee for examination of the application for the issue of capital, it was suggested, should include non-official representatives who might prove in some measure a check on the erratic application of this provision. If the object of Government was to check inflation by such provision, the Committee feared that the result would, on the contrary, be to release for speculative and buying purposes capital which would otherwise have been safely invested in some industrial or commercial undertaking. The punishment of five years' imprisonment for a breach of the rules under this provision was considered savage and arbitrary. Besides, this provision would penalise the British Indian investor or the holder of shares of companies other than those registered in British India by preventing him from acquiring at favourable prices shares issued by new companies outside British India. This the Committee considered as tantamount to allowing expropriation of the right of the British Indian shareholders who might exercise their right to invest in fresh shares issued by his companies to their members.

("Journal of the Indian Merchants' Chamber",  
Bombay, July 1943.)

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Compensation for War Injuries

War Injuries (Compensation Insurance) Bill, 1943  
Report submitted by Select Committee

Reference was made at pages 51-52 of our March, 1943, report to the War Injuries (Compensation Insurance) Bill, 1943, introduced in the Central Legislative Assembly on 11-3-1943 by Dr. B.R. Ambedkar, Labour Member, Government of India. The report of the Select Committee appointed to examine the Bill and the amended Bill are published at pages 127-136 of the Gazette of India, Part V, dated 31-7-1943. One of the recommendations is that plantation (coffee, tea, rubber and cinchona) labour also should be included as eligible for compensation under the Bill.

The Bill was passed by the Central Legislative Assembly on 13-8-1943.

*The Bill was passed by (The Hindustan Times, dated 14-8-1943.)  
The Council of State on 26-8-43. (The National Call 27-8-43.)  
Communications*

Progress of New Tele-Communications Scheme

Reference was made at pages 33-34 of our October, 1942, report to the new tele-communications development scheme launched by the Government of India. Recently a sum of Rs. 160 million has been set apart for it, although, as originally planned, it was to cost Government only Rs. 80 million. By now, satisfactory ~~financial~~ progress has been made <sup>with the scheme</sup> in its working. ~~Several of them are functioning and helping to bear the big load of wartime State and private telegraph and telephone traffic.~~

The scheme involves about a fourfold increase in the total number of circuits between the principal towns of India. There will be more teleprinter channels on all the main circuits, while the number of telephone and telegraph-carrier channels (capable of simultaneously transmitting several messages along a single pair of wires) will be greatly augmented. A feature of the scheme is that many of the new circuits will be following the main trunk roads instead of the railway lines. This will have certain definite advantages, as facilitating repair work and providing better protection against sabotage. A considerable extension of the automatic telephone exchanges in a number of important cities forms part of the scheme. The load on the exchanges in towns like Delhi, Poona and Lahore has increased greatly due to the war and demands for new connexions which cannot be met at present may, to some extent, be satisfied when the exchanges have been extended and necessary equipment has been received.

(The Statesman, 2-7-1943.)

War Transport

New System of Rail Priority Control to be introduced from  
1-8-1943

In order to ensure that movements of goods of the highest urgency are given first priority and that unnecessary movements are cut out, the Government of India have re-modelled the system of granting railway priorities. The new scheme which will come into force from 1-8-1943 divides the various railway systems into 5 conveniently grouped areas, each under a Regional Controller of Railway Priorities. The Regional Controller will be the executive authority throughout his region for the purpose of issuing all orders for priority and priority certificates for movements within and from his region. The authority hitherto exercised by other civil and military officers to issue the certificates will be withdrawn.

(The Hindustan Times, dated 5-7-1943.)

10th Session of National Defence Council, - 1, 2 and 3-7-1943,  
New Delhi

The 10th session of the National Defence Council, H.E. the Viceroy presiding, was held at the Viceroy's House, New Delhi, on July 1, 2 and 3, 1943.

On the opening day, the food position in India was the first subject to be considered. The Hon'ble Sir Muhammad Azizul Haque (Commerce & Food Member) presented a statement explaining the difficulties which had arisen in the execution of the basic food plan, the extent to which the critical situation in Bengal had been met by free trade and the points requiring urgent settlement at the conference of representatives of Provincial Governments (which met on July 5).

The progress of recruitment as well as the organisation of welfare and amenities for troops was reviewed by the Adjutant-General.

On July 2, the Council considered a detailed account given by the Home Member about enemy fifth-column activities and their connection with subversive elements in this country. Sir Sultan Ahmed (Member for Information and Broadcasting) made a statement on war publicity. Sir J.P. Srivastava (Member for Civil Defence) gave an account of the air raids on Indian territories since the last session of the Council and also explained the revision of civil defence policy in the light of the improved war situation. There was also a brief discussion of the progress of post-war reconstruction planning. On the last day of the session, the Commander-in-Chief reviewed the war situation.

Other subjects considered by the Council were the effect of the rise in the cost of living on soldiers' families, the policy of the Government of India in respect of dearness allowance and the opening of cheap grain shops for railway workers, the arrangements recently completed for the control of production and distribution of cloth and yarn, certain aspects of Government policy in the control of inflationary developments and lastly the extent to which the shortage of small coins is being relieved by increased output as well as action taken against hoarders.

("Indian Information", 15-7-1943.)

Viceroy's Address to Joint Session of Central Legislature:  
Effect of War on Indian Economic, Industrial and Social Conditions  
Reviewed.

On 2-8-1943, Lord Linlithgow, the Viceroy, addressed a joint session of the Central Legislature. The address reviewed at some length the progress of the war and India's contributions to the war effort, as also social and economic conditions in the country, with special reference to the repercussions of a war economy on them. The points of interest to the Office in the address are noticed below:-

India's War Effort - (a) Fighting Forces. - India's armed forces today total two million men. The naval personnel has increased tenfold. The Indian Air Force is expanding rapidly into a formidable weapon. This great total has been reached by voluntary recruitment, recruitment too from a wider variety of sources than ever before. The equipment and the training of these larger masses of men has been an immense task, all the more so given the need to keep pace with new arms and new methods;



create new formations - the Indian armoured corps, the corps of Indian electrical and mechanical engineers, the Indian army medical corps, formations of air-borne troops, and air-borne surgical units.

(b) War Supplies. - Activities in the field of war supplies have expanded enormously. The value of orders handled by the Supply Department have increased steadily from Rs. 850 million in the first 16 months of the war, to Rs. 1180 million in 1941, Rs. 2230 million in 1942 and to Rs. 1420 million for the first five months of the present year. These figures take no account of the orders which the Supply Department has placed overseas, the orders placed in India for war purposes through trade channels, or the value of the finished output of the Ordnance factories. The total value of India's contribution to war supplies is thereby immeasurably increased.

Strain on Industries. - In order to deal with this growing mass of war orders the capacity of Indian industry has been greatly expanded both by the carrying out of the carefully considered Government schemes, for the establishment of new factories or the expansion of existing ones and by the operation of private enterprise. In particular, the Chatfield and Ministry of Supply Mission projects for new Ordnance Factories and expansion of the old ones are now either completed or nearly completed. Considerable expansion has also been effected in the steel industry, in the manufacture of machine tools, in the chemical industry and in the capacity of the rubber manufacturing industry, especially for making tyres.

Help from Allied Countries. - These results have not been easy to achieve in the face of the difficulties which arise from the growing claims on the shipping resources of the Allies, from the closure of certain sources of raw material by the tide of Japanese aggression, and from the pressure on India's internal transport system arising from the greatly increased burden of war production and military movements. In solving these difficulties, and in maintaining its war effort despite them, India has received and is receiving the greatest help from other Allied nations, especially from Great Britain and from the United States of America. The technical mission which America sent last year, and the Lease-Lend Mission now in India have been of the greatest assistance. India lately also had a joint Anglo-American Steel Mission which gave valuable advice and help in connection with the production and distribution of steel.

Shortage of Goods for Civil Consumption. - The vast expansion in the field of war production has not been achieved without material sacrifice of the goods ordinarily available to the agriculturist and the townsman. But many of the industries engaged in the manufacture of vital war supplies are now better equipped to produce goods for ordinary internal consumption than they were before; the experience gained in manufacture under the stress of war adds materially to India's knowledge of modern skill and technique; and steps are being taken to extract and put to use in India more and more of the country's own raw materials. Over and above this, realising the importance of providing for essential civil needs, Government is now endeavouring to release for civil consumption a larger share of India's industrial output. The steps already taken in this direction will be steadily pursued consistently with the responsibility for supplying the armed forces in India.

Cloth Control Scheme. - The disabilities which war must bring to the civil population of any belligerent country have in India been greatly accentuated by the anti-social activities of individuals, who have misused the conditions of scarcity, artificially created in the case of some commodities, for their own profit. During the last few months,

second only to the problem of how to feed the inhabitants of this country, has some the problem of how to clothe them ~~them~~ <sup>him</sup> at a cost within ~~this~~ means. It was, therefore, to the problem of cloth that the Department of Industries and Civil Supplies, set up in April 1943, first devoted its attention. Thanks to public support, thanks also to the co-operation of the Indian cotton textile industry, a scheme of control was launched on June 17, which is being worked by the Government and the industry in a friendly spirit. The Indian States also have joined. The prices of cloth of all kinds have fallen, not only in the wholesale, but also in the retail markets. In some of the retail markets, they have fallen by more than 40 per cent. Cloth which has been hoarded is coming into the market; and under the new scheme for standard utility cloth, the Government has arranged the procurement of this at a rate of 150 million yards per month, to be distributed on a basis of population, among all the Provinces and States of India till a total of 2,000 million yards has been reached. It is hoped that cloth now coming out of hoards and standard cloth, will fill the breach, while the control gradually established itself over the whole field of cotton textiles with, as a result, increased production and a substantial reduction in prices below the present levels. When that stage is reached, it will not be necessary to continue the standard cloth scheme. But cloth is not the only commodity in regard to which advantage has been taken of the consumer in India by unscrupulous men. Over practically the whole range of consumers' goods, which are so necessary in the day-to-day life of the people, the two-fold blight of exorbitant prices and inequitable distribution has fallen. Measures are now well under way which will, before many months have passed, bring about improvement in this respect. These measures are aimed not only at hitting the hoarder and the profiteer, but also at making consumers' goods of the commoner varieties available in greater quantities to the people of this country.

**Food Problem.**- The most grave and insistent problem which faces Government today is that of ensuring an adequate distribution of food-stuffs throughout India. Early in July, a Conference fully representative of the Provinces and the Indian States, discussed in close detail with the Government the difficulties of the past and plans for the immediate future. The Government of India has accepted the conclusions of the Conference, and they are being implemented. An Expert Planning Committee is at work on the evolution of a long term food policy and its report is expected in the immediate future. Certain limiting factors have to be recognised, even in normal times, when considering the economy of food production and distribution in India. The size of the country, with its demands on transport; a total production of food grains only just sufficient in wheat and less than sufficient in rice, made up of the small margins of millions of small farmers the variety and at the same time the rigidity of local diet habits; the administrative divisions throughout the country, In normal times, these factors do not give rise to any difficulty for the normal operations of trade can ordinarily be relied upon to satisfy all requirements and to come effectively to the rescue, without official intervention, if for any reason local scarcity should occur. But the war throws normal trade movements out of gear. Imports are restricted or cut off; transport is limited; there is a bullish tendency in the markets; prices rise and profits are high; the producer or distributor hoards for gain or consumes more of his produce; the consumer hoards from fear.

In such circumstances, it is the duty of the Government to regulate the operations of trade so as to secure economy and fair distribution. In the United Kingdom great success has been achieved by drastic measures involving legal sanctions and the most detailed

interference with private lives and private enterprise, but made effective largely by the willing co-operation of the people. In India, the problem has been less compact and uniform and control, in consequence, more difficult to ~~impose~~ impose. The series of price control conferences instituted as soon as war broke out ~~proven~~ proved most valuable for the exchange of ideas and experience, and made recommendations which were acted on by the Government. It has to be recalled that for the first two years of the war, there was no great demand for controls. A moderate rise in prices after a lean period was welcomed. It is only since the entry of Japan into the war, and the loss of imports from Malaya and Burma, that the problem of supplies and prices has assumed serious proportions in India. Since then the Governments throughout the country have had to adapt their methods to rapidly developing situation and to counter the cupidity and lack of confidence that have unhappily shown themselves in so many areas.

The "grow more food" campaign has led to an immense increase in the area under food crops and a vastly-increased production of food-grains. It is being urged on with the utmost vigour. Financial aid of well over Rs. 15 millions has been made available from Central Revenues and every possible help has been given to Provincial Governments and to the Indian States by way of technical advice. No pains are being, or will be, spared to get the very maximum of output. ~~that we possibly can.~~ To strike at the root of the causes of food difficulties, my Government decided, early in 1943 to remove the control price of wheat and to import wheat from Australia. It also devised a scheme for distribution under Central control of surplus food grains to deficit areas. For various reasons this scheme appeared likely, at first, to fall short of the success that was hoped for. But, drastically modified in the light of experience, it remains in being. And it will hold the field as an "austerity" plan, until, having secured physical control of all available surpluses of food grains, administrations throughout India are in a position to control their distribution, through rationing or otherwise.

Fighting Inflation. - One of the main problems which has to be faced by a country at war is the control of inflationary tendencies. In the switch over from a peace economy to a war economy, the mounting scale of Government expenditure inevitably increases the volume of incomes, while the goods and services available for civilian consumption inevitably contract. To accentuate the resultant loss of equilibrium between free purchasing power and the opportunities for its use, the possibilities of import become gravely restricted by the scarcity of shipping and reduced transport facilities. In any country, a situation of this kind calls for the maximum effort of vigilance and control, if chaos is to be avoided. In India there are various factors, notably the magnitude of the country and the exiguous scale of administrative services in relation to a huge and largely uninstructed population which render close controls peculiarly difficult. The position first began to deteriorate sharply when the consequences of the war with Japan became palpable, in the latter half of 1942. By the spring of this year, there were many signs of widespread hoarding and profiteering and of the emergence of a spirit of reckless speculation which gave a vicious stimulus to the factors making for a general rise in prices. The course of prices in consequence took an alarming upward turn.

The Government of India is determined to do everything in its power to stabilise economic conditions at tolerable levels. The drive against inflation is being pursued simultaneously in the monetary and commodity fields. On the one hand an intensive effort is being directed to the mopping up of surplus purchasing power by taxation and borrowing, whether Central or Provincial, including a country-wide savings drive and

the Indian States have also been urged to co-operate in this programme for the benefit of the whole country. During the six weeks ending on July 17, no less than Rs. 500 million were invested in Government loans. On the other hand, various forms of commodity control have been adopted, the most important, because of its effect on the cost of living, being the cloth and yarn control scheme. The Government of India is resolved to check speculation and profiteering in every sphere which affects the life of the nation and to repress and penalise all cognate anti-social activity. The measures already taken are beginning to have a most salutary effect. Not only has the vicious upward trend been checked, but several important indices have moved sharply downwards, with a beneficial effect on the whole price structure. But there is no room for complacency. The campaign has only begun, and Government is determined to maintain the pressure and to fight relentlessly on every part of the anti-inflationary front. The stake is nothing less than the economic safety of the country.

Post-War Reconstruction: (A) Industrial Expansion.- The nature of post-war reconstruction must depend upon local conditions and the vicissitudes of battle. In some countries, the rebuilding of the bomb-shattered homes of the people and of the factories in which they earn their livelihood, must be the first stage of recovery. Then again a nation, the greater part of whose adult population of both sexes has been conscripted into the fighting services or war industry, has to face problems vastly different at least in degree from those which confront India where, despite the magnitude of its war effort, large sections of the population still pursue their customary avocations, more or less undisturbed by the tides of war, save in so far as changes in the price level may have affected their lot for better or for worse. India's problems in this field, vital though they are, are of a different order. War has brought to India a marked and significant increase in industrial activity and an even more important increment in the number of persons skilled in mechanical and industrial work of all kinds. Evidently the problem is to carry forward after the war as much as possible of this enhanced industrial activity, transmuted betimes from its present warlike shape into forms capable of producing the needs of a world at peace. Certain Indian industries, some of them highly important, have come through the past four years with few changes of a technical character and for such the problems to be solved will be mainly of a commercial character.

(b) Agricultural Improvement.- Closely linked with industrial expansion are the problems of agricultural improvement. The best hope of a permanent progress, whether in the town or the country-side, lies in the maintenance of a sound balance between the field and the factory. For the farmer, a steady and profitable market for his produce and the opportunity to buy the products of the factory at reasonable prices; for the factory, a copious supply of raw material and a vast market for the finished product. The careful fostering of this natural, healthy and resilient partnership, which is the foundation of economic strength and the firm base or platform from which India may develop her overseas trade, must be the first care of Government and of all concerned with industry or with agriculture. Agriculture, including agricultural education and research and animal husbandry, is a provincial subject. So also is irrigation. But in so far as it lies within the power of the Government of India to contribute towards agricultural improvement, it is most anxious to do so. The desire for improvement, agricultural and industrial, has evidently received a marked stimulus from the circumstances of the war. This manifestation will certainly derive a fresh and powerful impulse by the demobilisation in due time of the great armies. Many of these soldiers have become mechanically-minded

as a result of their training and some may well look to industry for a livelihood in the days of peace. But the greater number will wish to return to the land. Many of these men have seen the world beyond these shores. They will wish to enjoy the best that the business of farming can provide and they will be found receptive of new ideas and improved practices. Their return to their villages offers a unique opportunity to press forward with agricultural improvement and rural betterment. These two purposes are bound indissolubly together.

The Government is fully alive to the urgency and the vital ~~importance~~ importance of these issues. For some considerable time past, it has been closely concerned with the essential business of post-war planning. It realises the necessity of being well-prepared in advance for the questions that will face India, like the rest of the world, on the termination of hostilities.

Nation-Building Activities.- Many of the essential nation-building activities are, under the present constitution, the responsibility, primarily or wholly, of the Provinces. The Central Government has, however, been anxious to render all the help it can in this sphere, and there is much to show in the way of achievement. The revival of the Central Advisory Board of Education; the establishment of the Central Board of Health; the lavish grant made before the war from Central revenues for rural development; the work of the Imperial Council of Agricultural Research, which has provided itself an elastic and effective instrument for promoting technical progress; the institution of the All-India Cattle Show Society, which has done so much to encourage the most important matter of care and breeding of cattle throughout the country; the active prosecution of nutritional research; and the great campaign against tuberculosis, which has had so striking a response from all over India - these are all examples of the numerous activities in the nation-building field which have been of concern to the Central Government. The war inevitably has interfered with the development of many of these most important activities, but the war has also shown their vital significance.

(The Hindustan Times,  
2/3-8-43.)

Constitutional Enquiry in Kashmir State

The Maharaja of Kashmir has appointed <sup>in July 1943</sup> a commission to investigate the working of the existing constitution ~~in July 1943~~ of the State. The commission consists of 18 members, a majority of whom are non-officials with Rai Bahadur Ganga Nath as president.

Besides reporting on the constitutional aspect, the Commission will also inquire into some special matters relating mainly to ameliorative public measures. They include nursing and medical facilities in rural and other areas, economic rehabilitation of the frontier districts, future development of State industries, provision of technical, industrial and scientific education and development of local self-government in cities, towns and village areas.

(The Statesman, 21-7-1943.)

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List of the more important publications received in this Office  
during July 1943.

Economic Conditions

Indian Central Cotton Committee - Annual Report for the season 1941-42. Secretary, Indian Central Cotton Committee, Post Box, 1002, Bombay. 1943.

Organisation, Congresses, etc.

- (1) Report of the Bombay Chamber of Commerce for the year 1942. Bombay: C. Claridge & Co., Ltd. 1943.
  - (2) All-India Trade Union Congress. Report.- Twentieth Session, Nagpur. 1943. A.I.T.U.C., Model House, Proctor Road, Girgaon, Bombay 4.
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Report for August 1943

NATIONAL LABOUR LEGISLATION

International Labour Office	
Bureau International du Travail	
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Government of India.-

The Indian Boilers (Amendment) Act, 1943.

The Indian Boilers (Amendment) Bill, 1943, adopted by the Central Assembly on 29-7-1943 (vide page 1 of our July 1943 report) was adopted by the Council of State on 6-8-1943. The Bill received the assent of the Governor General on 13-8-1943 and is published at page 43 of Part IV of the Gazette of India dated 21-8-1943.

Government of India.-

The Mines Maternity Benefit (Amendment) Act, 1943

The Mines Maternity Benefit (Amendment) Bill, 1943, adopted by the Central Assembly on 29-7-1943 (vide page 1 of our July 1943 report) was adopted by the Council of State on 6-8-1943. The Act received the assent of the Governor General on 13-8-1943, and is published at page 45 of Part IV of the Gazette of India dated 21-8-1943.

Government of India.-

The Motor Vehicles (Drivers) Amendment Act, 1943

The Motor Vehicles (Drivers) Amendment Act, 1943, adopted by the Central Assembly on 29-7-1943 (vide page 2 of our July, 1943, report) was passed by the Council of State on 6-8-1943. The Act received the Assent of the Governor General on 13-8-1943 and is published at page 44 of Part IV of the Gazette of India dated 21-8-1943.

Ajmer-Merwara.-

The Weekly Holidays (Ajmer-Merwara) Rules, 1942

The Chief Commission of Ajmer-Merwara has, on 29-7-1943, gazetted the Weekly Holidays (Ajmer-Merwara) Rules, 1942, under which proprietors of restaurants and theatres are required to display conspicuously in their establishments a notice regarding the weekly holiday granted to their employees.

The rules are applicable to the municipalities of Ajmer, including Paltoon Bazar and Beawar, and Nazirabad Cantonment only.

(Pages 268-269 of Part II-A, The Gazette of India dated 3-8-1943.)

Assam.-

The Mines Maternity Benefit Act, 1941, and Rules Thereunder Extended to Excluded Areas in Assam.

By notification No. Ex-622/43/9-G.S. dated 17-8-1943, the Government of Assam has extended, with effect from the date of the notification, the provisions, with minor modifications, of the Mines Maternity Benefit Act, 1941, and the rules thereunder, to the 'excluded areas' in Assam.

(Part II of the Assam Gazette dated 25-8-1943, page 723.)

[Table of contents missing]



Assam.-Assam Government Notification re. Mines Exempted  
from Operation of Mines Maternity Benefit Act, 1941.

In exercise of the powers conferred by the Mines Maternity Benefit Act, 1941, as applied to the Excluded Areas of Assam by notification No. Ex./622/43/9-G.S., dated 17-8-1943, the Government of Assam has exempted, under certain conditions, the following classes of mines:

(i) mines or parts of mines in which excavation is being carried out for prospecting purposes only and not for purpose of obtaining minerals for use or sale; and (ii) iron-ore mines worked without mechanical power, the whole of the ore from which is supplied locally to village smelters and blacksmiths. The conditions of exemption are: for mines of class (i) that, (a) not more than 20 persons are employed in or about such excavation, (b) no part of the excavation extends beneath the superjacent ground, and (c) the depth of the excavation measured from its highest to its lowest point nowhere exceeds 20 feet or, in the case of an excavation for coal, 50 feet; and for mines of class 2 that the owner, agent or manager of any mines so exempted shall not permit any female to enter for purposes of employment, or be employed in, the underground workings, if any, of the mines.

(Notification No. EX/622/43/10-G.S. dated 17-8-43  
of Part II of the Assam Gazette dated 25-8-1943)

Bihar.-Exemption from the Hours of Work and Weekly Rest provisions  
of Factories Act, 1934.

The Government of Bihar has gazetted, on 31-7-1943, the draft of the rules which it proposes to adopt in exercise of powers conferred by sub-sec. (2) of Sec. 43 of the Factories Act, 1934, regarding the exemption subject to certain conditions of some classes of adult workers, mostly male, engaged in essential war-work, from the provisions in the Act relating to hours of work and rest. The classes of workers exempted include those engaged on urgent repairs, 'preparatory and complementary' work, 'intermittant' work, continuous work, and workers engaged in manufacturing processes in tea, coffee and indigo factories, and engine room and boiler-house workers.

The draft will be taken up for consideration on or after 11-11-43.

(Pages 458-65, Part II, Bihar Gazette,  
dated 4-8-1943.)

Punjab.-Exemption from the Hours of Work and Weekly Rest Provisions  
of the Factories Act, 1934.

The Punjab Government has, on 21-8-1943, notified the draft of the rules which it proposes to adopt under sec. 43 of the Factories Act, 1934, regarding the exemption, subject to certain conditions, of certain classes of adult male workers from the provisions of the Act relating to hours of work and rest. The classes of workers exempted include: those engaged on urgent repairs in engineering and other workshops, on 'preparatory and complementary' work in factories, 'intermittant workers', those employed on 'continuous' processes, employees

in Bakeries, tea factories, engine-rooms and boiler houses, foremen, machine-men, oilers, packers and stichers. The draft will be taken up for consideration after 21-11-1943.

(Page 524, Part I, The Punjab Gazette  
dated 27-8-1943.)

2nd Plenary Session of the Tripartite Labour Conference,  
New Delhi, 6 and 7-9-1945.

The Second Plenary Session of the Tripartite Labour Conference (the Conference was inaugurated in August 1945 - vide pages 1-5 of our August 1942 report) was held at New Delhi on 6 and 7-9-1945 with the Hon. Dr. B.R. Ambedkar, Labour Member with the Government of India, in the chair.

The session was attended by (1) representatives of the Departments of Labour, War Transport, Industries and Civil Supplies and Finance of the Government of India, and the Railway Board, (2) representatives of the Governments of Madras, Bombay, Bengal, U.P., Punjab (representing N.W.F.P. also), Bihar, C.P. and Berar, Orissa, Assam and Sind, (3) representatives of the Indian States of Hyderabad, Mysore, Baroda, Gwalior and Indore, (4) representatives of the All-India Organisation of Industrial ~~Workers~~ and the Employers' Federation of India, as also three other representatives of employers, and (5) representatives of the All-India Trade Union Congress and the Indian Federation of Labour, as also three other workers' representatives. The session was also attended by three observers - two representing Ceylon and Dr. P.P. Pillai, representing the I.L.O.

Items on the Agenda. - There were eight items on the agenda of the Conference, namely, (1) 'Involuntary' unemployment due to shortage of coal, raw materials, etc.; (2) Social Security : Minimum wages; (3) Principles for fixing dearness allowances; (4) Provision for standing orders on the lines of provisions in Chapter V of Bombay Industrial Disputes Act, in large ~~industrial~~ industrial concerns; (5) Procedure for the Conference - Adoption of the report; (6) Statement by Provincial Governments regarding their setting up of Tripartite Organisations in Provinces; (7) Labour representation in Legislatures, local bodies and Statutory Committees; and (8) Model Provident Fund Rules.

Presidential Address. - Opening the proceedings, Dr. Ambedkar, the Chairman, referred to the reasons for convening a tripartite Conference. He said: "For a long time the conviction had gained ground that the industrial problems and problems of Labour Welfare could not be solved unless the three parties - Government, Employers and Employees - developed a sense of responsibility towards one another, showed more respect for the views of one another and agreed to work in a spirit of give and take, and that there was not much chance of such a sense of mutual respect and responsibility growing up so long as one was engaged in talking at the other..... Although the idea of such a tripartite organisation was there, it is doubtful if it would have taken concrete shape so quickly if the war had not made the maintenance of labour morale an urgent and immediate necessity. The war has hastened the implementation of the Tripartite Organisation in another way. Under the stress of the war, the Government of India was called upon in increasing degree to deal with industrial problems and problems of labour welfare, and it did not hesitate to take a very bold line of action. It undertook the task of converting unskilled men by giving them technical training and establishing numerous training schools. It introduced two new principles in the prevailing Labour Code which are of far-reaching importance and which mark a significant departure from tradition. It took upon itself as its duty and responsibility the right to prescribe fair wages and fair conditions of service. It also took upon itself as its duty and responsibility to compel employers and employees to submit their disputes to arbitration. This is not all. The Government of India undertook the responsibility for ensuring the welfare of labour not merely by directing what should be done for the well-being of the workers, but also by appointing an agency of its own to see if the directions issued by it are carried out or not.

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This bold policy was taken on its own initiative and judgment. It was however felt that it would be better for the labour policy of the Government of India if a machinery was created to enable it to obtain advice from Provincial and State Governments, and from employers and employees to enable it to act confidently in the discharge of the new duties which had fallen upon it."

The Chairman, then, surveyed the work of the First session held in August 1942, and continued: "The Tripartite Labour Conference has its genesis in the exigencies of the war. But I am happy to say that it is to last beyond the war. It is going to be an institution which will have a permanent place in the economic structure of the country."

Work of Standing Labour Committee.- Dr. Ambedkar, then, reviewed the work of the three sessions of the Standing Labour Committee (vide pages 3-7 of November 1942 report and pages 4 to 5 and 2 of our January and April 1943 reports respectively) and declared that, though unanimous decisions could not be arrived at, the "discussions have been extremely useful and the Government of India have been greatly benefited by them. Owing to want of unanimity the Government of India could not take positive action on most of the matters that were discussed. But where there has been unanimity the Government of India has not been slow to accept those decisions and give effect to them." In support of this he referred to certain items such as the War Injuries (Compensation Insurance) Act and the National Service (Technical Personnel) Amendment Ordinance. Other instances would be the Industrial Statistics Act and the Employment Exchanges Scheme. Action in consonance<sup>with</sup> of the decisions of the Conference under both these is to be taken very soon. Referred to the slow progress of action on some of the problems, Dr. Ambedkar pointed out that "in an old country like India, with no tradition of collective action and no trace of social conscience, progress is bound to be slow. But what matters is not so much the rate of progress as the nature of the outlook. Looking at the Tripartite Conference from this point of view, I have no hesitation in saying that the great achievement of the Tripartite Conference is the fundamental change it has brought about in the outlook of the Government, employers and employees on labour problems. No one who has participated in these Conferences could have failed to sense it. Assured of a healthy and wholesome change in the outlook, we can confidently hope for acceleration in the rate of our progress."

Social Security.- Dealing with the items on the agenda of the Plenary Conference, he said that two of them, namely, social security and representation of labour in public bodies, are very important. "They are matters of serious consideration all over the world and the Beveridge Report is only one instance of the general interest which the problem has aroused all over the world. We in India cannot shut our eyes to them. Those who are living under the capitalistic form of industrial organisation and under the form of political organisation called Parliamentary Democracy must recognise the contradictions of their systems. The first contradiction is between fabulous wealth and abject poverty not in its simple form but in its aggravated form in which we see it, wealth for those who do not work and poverty for those who do. The second contradiction lies between the political and the economic systems. In politics, equality; in economics, inequality. 'One man, one vote: one vote, one value' is our political maxim. Our maxim in economics is a negation of our political maxim."

Secondly, "ever since the basis of social life was changed from status to contract, insecurity of life has become a social problem and its solution has occupied the thoughts of all those who believe in the betterment of human life. There has been an enormous energy spent in

enunciating the rights of man and the different sorts of freedom which must be regarded as his inalienable birth right.... There will be very little security unless and until, to use the words of the Report of the Economic Group of the Pacific Relations Conference, these rights are translated into terms which the common man can understand, namely - peace, a house, adequate clothing, education, good health, and above all the right to walk with dignity on the world's great boulevards without the fear of a fall. We in India cannot fail to recognise these problems or by-pass them. We must be prepared for the revaluation of values. It will not be enough to make industrial development of India as our goal. We shall have to agree that any such industrial development shall be maintained at a socially desirable level. It will not be enough to bend our energies for the production of more wealth in India. We shall have to agree not merely to recognise the basic right of all Indians to share in that wealth as a means for a decent and dignified existence, but to devise ways and means to ensure to him against insecurity.

Decisions of the Conference. - (1) Involuntary Unemployment:- Owing mainly to transport difficulties supplies of coal even to essential industries in certain localities have not been on the requisite scale. Supplies to the jute mills in Bengal have been particularly short and shortages have also occurred in Cawnpore and other areas. The question for consideration by the Conference was what action should be taken if and when supplies fall so short as to lead to closing down of establishments. It was known that the jute industry in Bengal paid Rs. 3 per week, plus an allowance of Rs. 1-4-0 per week, plus food at concessional rates during the recent enforced closure of the mills. On one occasion the closure extended for two weeks, and the estimated expenditure by the mills was Rs. 3.5 million per week. The mills at Amalner, East Khandesh, Bombay Province, have also had to close on several occasions for want of coal.

Enforced unemployment owing to shortage of raw materials was also reported to have occurred. It is known that owing to shortage of silk, some silk mills in Bombay had to discharge a large part of their labour force, but it is believed that all that labour was absorbed by the expanding cotton textile industry. Similarly, labour which was redundant in a particular employment due to shortage of raw materials required for that industry had probably soon been absorbed in other expanding war industries. It is not known if for any local reasons such absorption has been difficult or incomplete.

The third cause of involuntary unemployment is alleged to have been changes in lines of production. It has been suggested that the control of production of cloth and its varieties has led to changes in lines and of production and consequent unemployment. The Government orders were also stated to have led to a fall in earnings.

The large problem of provision for unemployment has never yet been tackled and still remains to be considered. The immediate question was whether in respect of involuntary unemployment caused by the present war situation any special provision should be made for the unemployed labour. The following points were considered - (1) If any benefits to labour are considered necessary, should these be paid after a short period of up to, say, 2 weeks, in which the labour may be expected to draw upon its previous earnings? (2) Should the liability be placed entirely on the employer or be shared by the employer and Government; should labour be asked to make any contribution during periods of employment? (3) Should the provision for benefits be confined only to industries which are engaged in war production and which may be regarded as better able to afford to pay some relief or to all industries?

There was unanimity of opinion that relief to workers involuntarily unemployed was unnecessary. On the first question, the Government of India was of opinion that any benefits paid should start after a month; but the other parties expressed the view that the benefits should begin immediately, that is, along with the onset of unemployment. On the question who is to bear the burden, employers expressed the view that it should be shared by employers and the Government, but the Government thought that employers alone should bear it. On the third question, the Conference suggested that the principle should be applicable to all industries.

(2) Social Security, and Minimum Wages.- The subject of planned labour legislation in war time was placed before the third meeting of the Standing Labour Committee, but did not result in any concrete proposal for action. The Plenary Conference was invited to adopt a resolution recommending that the Government of India should appoint a Committee to prepare a Scheme on the lines of proposals in the Beveridge Report, with suitable modifications, and establish social security in India by providing for insurance against old age, unemployment, sickness and other such disabilities. ~~xx~~  
In India, generally speaking, no benefits of these descriptions have so far been provided either by employers or the State or Workers' unions. Sickness insurance has already been taken up actively. On the other questions of old age and unemployment, very little material is at present available and a thorough preliminary investigation is essential before any advance can be made.

The question of wages and earnings was also invited to be considered in the present context. The item of minimum wages was referred to in the memorandum for the third meeting of the Standing Labour Committee. No discussion, however, on this question was felt to be realistic until reliable and fairly extensive data regarding wages and earnings in various employments were available. Certain general information regarding the total earnings of labour in various industries was being collected.

The Conference was invited to consider whether all Provinces and States should not be asked to undertake immediately either a full wage census on the lines of the 1934 wage census in Bombay or at least a sample wage census. Questions of finance, administration (including supply of trained personnel), and co-ordination, it was suggested, could be settled between the Governments of Provinces, States and the Central Government. Another point for consideration was whether it is desirable to take up the preparation of a limited unemployment insurance scheme on lines similar to the health insurance scheme with a view to its extension to all technical (skilled and semi-skilled) personnel in the first instance, and later to other classes of employees.

The memorandum on the question prepared by the Government of India pointed out that unless reliable data on wage rates, earnings and employment are available at an early date, formulation of post-war policy and in particular consideration of such questions as minimum wage legislation would be indefinitely held up. It seemed, therefore, essential according to the memorandum to undertake the wage census immediately as one of the most vital aids to planning. Two ways of tackling the question were suggested: (1) To have preliminary material collected in as short a time as possible through official agents and with the co-operation of employers and workers and then to consider the framing of policy. (In attempting to frame a policy, consultation with non-official bodies either in a formal or informal manner could be arranged); Or (2) To appoint straightaway a non-official committee or mixed committee. Such a committee however would be handicapped for want of material which could not be collected by hearing the evidence of officials or non-officials, but would have to be

gathered from numerous sources over a fairly considerable period of time.

consider

The Conference was invited to (a) whether it is desirable to examine measures to achieve as large a measure of social security for industrial workers as is practicable in India in the early post-war period or over a long period of time, and what method of enquiry is most likely to achieve satisfactory results in war time; (b) how best to associate Indian States in any investigations or enquiries it is decided to undertake; and (c) the need for associating non-officials with the enquiries and the stages at which this would be most useful.

On the question of planning social security, the Conference adopted a resolution urging the Government of India, in co-operation with the Governments of Provinces and Indian States, to set up machinery to investigate questions of wages and earnings of workers with a view to provide adequate materials on which to plan a policy of social security for labour. On receipt of the data collected by this means, the Government of India was urged to appoint a mixed Committee to draw up Social Security plans.

The specific questions raised in the memorandum were not taken up in detail and no decision was arrived at on each of them separately, though all these aspects figured in the discussion leading to the above resolution. But, in discussing minimum wage legislation, several speakers urged desirability of investigating into the conditions of wage-earning agricultural labourers. An employers' delegate moved a formal resolution urging such an investigation, and the President said that he would invite the Department of Education, Health and Lands to participate in the investigation.

(3) Dearness Allowance.- The subject of dearness allowances and profit bonuses ~~was~~ was discussed generally at the first meeting of the Standing Labour Committee. The need for having some uniformity in this sphere was brought out in those discussions but so far it has not been possible to secure any degree of uniformity. At present the scales of allowances and bonuses vary in respect of different classes of employees, in different industries and in different areas. A statement covering the available information on dearness allowances and bonuses was placed before the Conference. No information was available regarding Indian States. Discussion was invited to cover, inter alia, the following items:- (1) Is it necessary to have general uniform principles for fixing dearness allowance or bonus? (2) If the reply to (1) is in the affirmative, (a) What should be the general principles? Should the principles allow for different rates for different industries or for different regions? If so what should be the governing factors and the demarcation of regions? (b) Should it be laid down that the degree of assistance given towards the increased cost of living should diminish as wages increase above subsistence level? If so, how? (3) If and when such principles are laid down should they be so worked that not only are tendencies to give higher allowances checked, but that such allowances as fall below the prescribed standard are raised? (4) Should the allowance be automatically related to increases or decreases in the cost of living index? And should the scale of neutralisation diminish as prices rise above a certain level? (5) Should the allowances be fixed on a percentage of wages or incomes or at flat rates in slabs varying according to wage levels? (6) If the allowances are at flat rates should there be only one flat rate or two flat rates or more? (7) Should there be a limitation that no allowance or/and bonuses should place the persons in a better position than he enjoyed in 1939 before the war? (8) In view of the need to fight inflationary tendencies, should the cash element of allowances be fixed at a minimum and the bulk of the allowances be made available in kind, through supplies of essential articles at concessional rates? (9) How should the general principles

be implemented? Should there be legal compulsion or can voluntary experiment achieve the desired results? Should authorities be set up in different regions or for different industries to decide finally on all questions relating to dearness allowance and bonus, apart from the adjudication procedure already provided for? (10) How should the principles agreed to be extended to the States?

Bound up with the question of dearness allowance is the question of profit sharing bonus. The following points were suggested for consideration (a) Are such bonuses desirable and if so, to what extent? (b) Should the grant of such bonuses affect the quantum of dearness allowance or be related to dearness allowance? If so, how? (c) To check inflation, it seems desirable that the payment of some proportion of profit sharing bonus should be deferred until after the war. Are there objections to this? If so, what are they? If not, what proportion of bonus should be deferred? The Conference was also invited to consider whether a sub-committee should be appointed to formulate precise recommendations in the light of the discussions at the Conference.

The Conference decided (1) that uniform principles to fix dearness allowance, depending on cost of living on a regional basis should be adopted; (2) degree of compensation diminish as wages increase; (3) the allowances should be fixed at flat rates in slabs varying according to wage levels; there is to be only one flat rate for a slab; (4) the bulk of the allowance should be in kind, as far as possible; (5) the general principles should be enforced by compulsion if persuasion failed. As regards application of uniform principles in Indian States also, the representative of the Chamber of Princes agreed to circulate the principles (when formulated) to the various States, with a recommendation that these principles should be adopted by the States also with necessary changes to suit local conditions. The Conference also decided that bonuses are to be treated separately. A small committee is to be appointed by the Government of India to formulate definite principles in the light of the discussions on the question; the report of the Committee is to be submitted to the Standing Labour Committee.

(4) Standing Orders. - It had been suggested that provision may be made requiring every factory employing 250 or more workers to have a set of standing orders governing working conditions somewhat on the lines of Chapter V, of the Bombay Industrial Disputes Act (but omitting provision for an Industrial Court). The essential thing, it was pointed out, was to define these working conditions on a clearly recognised contractual basis and to have them approved by the Commissioner of Labour. A contract in the form of standing orders or otherwise is necessary before the penalty provided under section 9 of the Payment of Wages Act can be enforced for striking without notice. It was further suggested that contravention of standing orders may be made punishable equally with other offences under the Factories Act. The Government of India proposed to consider a more comprehensive amendment of the Trade Disputes Act than was at first under contemplation. It was intended however to undertake the amendment only after the war. Meanwhile the Government invited consideration if the suggestions made above may be given legal effect to even during war time under existing legal powers or by special legislation.

The Conference agreed to the above suggestions and added that the Standing Orders should have statutory force.

(5) Procedure for the Conference. - The sub-committee appointed by the Standing Labour Committee for drawing up the rules of procedure for the Conference had reported that in drawing up the rules, it had adopted the model of the constitution of the I.L. Conference. Without covering all the points dealt with by the I.L. Conference rules, the Sub-Committee has



confined itself, in the rules of procedure which it submitted, to the minimum necessary for the immediate working of the Conference and the Standing Labour Committee.

The rules submitted by the Sub-Committee were adopted by the Conference. ~~(a)~~

(6) Tripartite Machinery for Provinces.- At the first meeting of the Standing Labour Committee on 30th November and 1st December 1942, when the suggestion that tripartite organisations should be set up in the ~~provinces~~ provinces was raised, representatives of Bombay, C.P., Bihar and ~~U.P.~~ U.P. stated that the question of setting up such organisations in their provinces was under consideration. The Government of India reported to the Conference the views of the Provincial Governments on the question; almost all of them doubt the utility of setting up such machinery in view of the lack of adequate work for it in the provincial field.

(7) Labour representation in Public Bodies.- This subject was included for discussion at the request of one of the parties to the Conference. It had been stated that representation at present provided to labour is very inadequate and that steps should be taken to secure as large a representation as possible for labour on these bodies.

The workers' bloc in the Conference urged that representation <sup>of labour</sup> should be made equal to the combined representation of commerce, industry, mining and planning. The employers opposed this and contested that labour representation should be equal to that allotted to industry alone and that commerce was a quite different interest.

(8) Provident Fund.- This subject was discussed at the third Conference of Labour Ministers in January 1942. The discussions did not indicate any desire to have compulsory provident funds, but it was considered desirable that there should be model provident fund rules which could be circulated to employers. A set of model rules has now been prepared and submitted to the Conference. The rules were taken into consideration by the members before they are finally circulated.

*(This unofficial report is for the information of the Office, and may be used only in summarised form for publication. The official report issued by the Government will be sent to you in due course.)*

# CONDITIONS OF WORK.

## General

### Training of Labour Welfare Officers: Bengal Scheme.

The Appointment Board of the Calcutta University has inaugurated, in co-operation with the Indian Jute Mills Association, a special course of social work for giving suitable training to Labour Welfare Officers engaged in jute mills. In framing the scheme the University had in view the following objects:- (1) The welfare requirements of the working classes. (2) The Labour Officer as a colleague of the other officers of the concern for the improvement of the workmen's efficiency and general uplift. (3) The Labour Officer as the representative of the employer entrusted with the task of supervising welfare work.

In order to make the training course really useful, it is proposed to give both practical and theoretical instruction. Owing to difficulties of arranging for practical training, however, in its ~~initial~~ initial stages, it is proposed that the course should be open only to those who are at present engaged as Labour Officers or are likely to be so employed.

In point of practical training extending to about ~~four~~ years, the following programme has been fixed: (1) A study of the jute industry intensively so as to appreciate the broader technical aspects and common terms used. (2) Gaining an insight into the social and physical environments of labourers by close study in their lines or residential bustees. (3) Attending night offices and Labour Commissioners' office to hear the recording of grievances and their disposal, as well as the clerical work involved in this line. (4) Study of the worker in the mill in relation to the industry. (5) Making a detailed study of social and welfare activities, sports, health, trade unions, etc., in the way of a factual survey, as it is desired to develop existing centres. (6) Conducting the hearing of cases, organise welfare and other activities, hold meetings, etc., and work on some definite constructive lines. (7) Visiting other industries.

The subjects included in the theoretical course of instruction are: social duty, applied economics, law, statistics, social and industrial psychology, practical training and public health administration.

A Committee consisting of representatives of the Calcutta University, the Jute Mills Association, the Labour Department of the Government of Bengal, and a woman representative, has been appointed to be in charge of this course.

("Indian Labour Gazette," July 1943.)

### Statistics of Factory Workers in India in 1941.

The statistics, issued by the Labour Department, Government of India, of workers employed in factories in India, ~~was~~ published at pages 42 to 47 of the August 1943 issue of the Indian Labour Gazette. It is pointed out that owing to shortage of paper, the printing of the annual report ("Statistics of Factories subject to the Factories Act, 1934") for general use has been discontinued, the last statistics published being those for 1940 (Reviewed at pages 3 to 6 of our April 1943 report).

According to the ~~statement~~ <sup>statistics</sup>, the average number of operatives employed in all factories, perennial and seasonal, in India, during the year was 2,156,377, as against 1,844,428 in 1940, the highest figure recorded till then. Of these 2,156,377 workers, 220,086 were employed in Government and local fund factories (219,233 in perennial and 853 in seasonal factories)

and 1,936,291 in other factories (1,630,848 in perennial and 305,443 in seasonal factories). During the year the number of workers employed showed a clear increase in all the provinces; the increase was specially marked in Bombay (480,604 in 1940, 611,943 in 1941), the United Provinces (180,634 in 1940, 225,316 in 1941) and Bengal (593,425 in 1940, 648,711 in 1941). In Madras, the average number employed during the year was 234,072 as against 211,194 in 1940; in Sind, 30,254 as against 27,180; in the Punjab, 107,321 as against 81,197; in Bihar, 113,267 as against 104,599; in Orissa 6,816 as against 6,137; in the Central Provinces and Berar, 76,446 as against 68,225; in Assam, 54,869 as against 52,236 and in the North West Frontier Province, 1476 as against 1,195. Increase was also recorded in the centrally administered areas.

Workers in Textile Factories.- The number of workers employed in the textile industry (cotton spinning, weaving and other factories, jute mills, silk mills, woollen mills, etc.) was 953,320 in 1941 as against 829,162 in the previous year. Of these, 593,707 workers were employed in cotton factories (488,884 in 1940) and 310,624 in jute mills (303,777 in 1940).

(For fuller details see pages 42-43 of August 1943 issue of the "Indian Labour Gazette"; the Gazette is being received at Montreal). ,

## ECONOMIC CONDITIONS

### Government of India's New Scheme for Compiling Cost of Living Index Numbers on All-India Basis.

The July, 1943, issue of the Indian Labour Gazette, (a new Monthly published by the Labour Department of the Government of India) contains a note giving an outline of a new scheme for compiling cost of living index numbers for the various centres in India. Relevant points regarding the scheme are briefly noted below:-

The Existing Scheme - Its Discrepancies.- Soon after the world war of 1914-18 there was considerable industrial unrest in the country and great difficulty was experienced in settling industrial disputes because of the lack of reliable statistical data relating to changes in the cost of living. The Government of Bombay, therefore, decided to establish a Labour Bureau and one of the first duties with which it was charged was to make preparations for the compilation of a scientifically constructed cost of living index number. The province of Bombay was the first to compile such an index number and certain other provinces followed suit later. There is a great deal of diversity in the scope and method of construction of these indices as between province and province, both in the choice of the base periods and the manner of computation of the basic figures. For obtaining 'weights' for the indices family budget enquiries have been made from time to time in some of the provinces. Detailed and comprehensive studies have however been made only in a few places such as Bombay, Ahmedabad and Sholapur in Bombay Province, Madras City in Madras and Nagpur and Jabbalpur in the Central Provinces. In these centres the enquiry extended over a considerable period, the scope was limited mostly to workers earning not more than Rs. 50 per month, and the data collected was adequate enough to justify generalisations. But in several other centres, notably in Bihar and Orissa, the 'weights' do not rest on any adequate statistical basis. Also, there is no uniformity in the various provinces as regards the agency employed for the collection of prices for the cost of living index numbers nor in the frequency with which the data are collected. In some centres prices are collected weekly, in others fortnightly, while in the Punjab centres prices are recorded only on the last day of each month. So far as the food group is concerned almost all the indices are fairly comprehensive. The index for Jharia in Bihar does not include the fuel and lighting group. The clothing group is somewhat unsatisfactory in most of the indices, firstly because in some of the indices very few items of clothing are included and secondly because of the difficulty of obtaining comparable price quotations. The indices for centres in Bihar, Orissa and the Central Provinces do not include house rent. The miscellaneous group shows the largest variation in composition from province to province. The Bombay and Madras lists are fairly comprehensive, but the Bihar and Orissa indices completely ignore these items.

The Rau Committee's Comment.- The Rau Court of Enquiry, which was appointed to investigate into the dispute regarding dearness allowance on the G.I.P. Railway (vide pages 42-43 of January 1941 report) made the following observations in their report:- "None of the cost of living index figures at present available are entirely satisfactory.... The first requisite for any satisfactory revision of the allowances that we have recommended is the preparation of up-to-date cost of living index figures for three distinct classes of areas, city, urban and rural.... We would accordingly recommend that the question of preparing and maintaining such figures for the purposes of the Central Government be considered by the Government of India."

In the debate on the Report of the Rau Committee in the Legislative Assembly on 27-2-1941, announcement regarding Government's intention to appoint a new body to investigate into the matter and institute a new scheme of collection of indices on an All-India basis was made by Sir Andrew Clow, the then Member for Communications, Government of India.

**The New Schemes.-** The Government accordingly formulated a centrally controlled scheme for the preparation and maintenance of cost of living index numbers in selected centres. A brief outline of this scheme was circulated to Provincial Governments in October, 1941, for eliciting opinion. The response of most of the Provincial Governments was most encouraging. The scheme was also discussed at the Third Conference of Labour Ministers held at Delhi in January, 1942, the Conference recording agreement on the principles involved. Government have now appointed an officer to make the necessary preparations for the compilation of cost of living index numbers in selected centres of British India on a uniform basis.

The scheme, however, is likely to take some time before its results become available as a guide for practical action and as it was felt that during the war period occasions may arise when some reliable figures giving an indication of the changes in the retail price level would be urgently required, Government have also decided, in consultation with the Provincial Governments, to proceed concurrently with a scheme for the compilation of retail price index numbers for those centres for which cost of living index numbers will also be ultimately compiled. It may be pointed out that the Third Conference of Labour Ministers which approved of this scheme came to the conclusion that, owing to difficulties of organisation, it may not be possible to compile retail price index numbers for rural centres at least for the time being. However, as a large body of railway employees are employed at way-side stations situated in rural tracts, it has been decided tentatively to select 15 rural centres situated in different parts of the country, including Indian State territory, and to make an endeavour to collect prices with a view to the compilation of retail price index numbers for such centres. Thus, the Government of India is proceeding with three distinct schemes:- (a) The main Cost of Living Index Number Scheme, (b) Retail Price Index Number Scheme, Urban Centres, and (c) Retail Price Index Number Scheme, Rural Centres.

**The Main Cost of Living Index Number Scheme.-** The scheme envisages the compilation, in consultation with the Provincial Governments, of cost of living index numbers for about 50 centres in British India. A Consultative Committee of provincial representatives has been appointed to advise the officer in charge of the scheme in regard to the various matters connected with it and the following are some of the decisions reached at a recent meeting of this Committee held in Bombay:-

(1) Exploratory surveys should be undertaken for a period of about four to six weeks prior to starting family budget investigations. (2) In the schedule to be adopted only such items should be included as are necessary for the derivation of 'weights' for the proposed indices, although certain items of sociological interest might be allowed to remain. (3) In selecting the families whose budgets will be collected, either the tenements should be sampled or the sample should be selected from the pay rolls according as it suited local conditions. (4) While starting family budget investigations neither a minimum nor a maximum income limit should be imposed but the question of setting up a maximum limit should be taken up after the data had been collected and tabulated. (5) 'Single' persons should be covered along with families. (6) The scope of the investigations should be restricted to families the heads of which are in permanent employment and in receipt of a regular income. (7) In order to allow for seasonal fluctuations the enquiries should, as far as possible, be spread over a period

of twelve months. (8) The proposed family budget investigations should, as far as possible, be carried out concurrently in each province and also in all the provinces. (9) Subject to variations necessitated by local conditions, the schedule to be used for the enquiries in the different centres should be ~~uniform~~ uniform.

Owing to the somewhat abnormal conditions prevailing in the country at the present time and the many pre-occupations of provincial officers, the progress of these enquiries has not been as rapid as was originally expected. However, already the provinces of Bombay, Bengal, U.P., C.P., and Sind and the Administrations of Delhi and Ajmer have agreed to start family budget enquiries in connection with this scheme and it is expected that in the course of the financial year it will be possible to organize similar enquiries in the other provinces as well. If these expectations are fulfilled, it may be possible to collect some 20,000 family budgets in the various provinces with a view to obtaining the necessary 'weights' for the proposed cost of living index numbers. The list of items for the Retail Price Index Number Scheme have been so drawn up that, if and when family budget enquiries in the selected centres are completed and information regarding 'weights' becomes available, it may be possible immediately to proceed with the compilation of the necessary cost of living index numbers by making use of the retail price data already collected.

Retail Price Index Number Scheme:- Urban Centres: For this scheme the centres selected are the same as those selected for the main cost of living index scheme. The necessary organisation for this scheme is now well under way and weekly price returns for retail prices are being received from some 30 centres in the country. It may be pointed out, however, that owing to the abnormal economic conditions prevailing in the country great difficulty is being experienced in collecting comparable price data of many of the articles included in these indices. The main difficulties in this connection are the unavailability of certain important articles sometimes for weeks together, the unavailability of the articles comparable with those originally selected, abnormal fluctuations in prices from week to week, etc. These difficulties are most acutely experienced especially while dealing with the items included in the clothing group of ~~these~~ these indices. Care is being taken, however, to scrutinize the returns received from the centres and only comparable price data are being utilised for the preparation of these indices.

Rural Centres:- 15 rural centres have been selected for this scheme. These ~~have been~~ divided into three zones: the Northern zone, the Eastern zone and the Southern zone. The necessary preliminary investigations regarding the food and clothing habits of the poorer sections of the community at these centres are entrusted to three officers who are placed on special duty under the Director, Cost of Living Index Scheme. The lists of articles for which prices are to be collected have been drawn up and certain shops have been fixed in each of the selected centres for the collection of prices regularly every week. The collection of prices has been entrusted to the station masters of these stations and their work is regularly supervised by the inspectors of railway labour within whose beat these stations lie. All the returns are regularly scrutinised and tabulated in the office of the Director, Cost of Living Index Scheme: and monthly index numbers are now being maintained for all these centres.

("Indian Labour Gazette", July 1943.)

In his speech introducing the budget for 1943-44 in the Central Legislative Assembly (vide pp. 12-13 of our February 1943 report), Sir Jeremy Raisman, Finance Member, Government of India, announced the Government's intention to impose an excise duty on tobacco produced or manufactured in India. He said there was considerable scope for the development of this important cash crop, by extending the cultivation of, and internal and external trade in, high quality leaf. He announced that Government proposed to make an annual grant of Rs. 1 million to finance measures designed to bring about a general improvement in the production and marketing of tobacco.

This was one of the subjects, considered by the Standing Finance Committee, which met in New Delhi on 31-7-1943 with Sir Jeremy Raisman in the chair. Pending decision as to the establishment of an Indian Central ~~Smk~~ Tobacco Committee, on the lines of the Indian Central Cotton and Jute Committees, to be entrusted with the carrying out of measures for the improvement of the tobacco crop, it was proposed, as a matter of convenience and expediency and to expedite the introduction of suitable schemes, to place the grant, at the disposal of the Imperial Council of Agricultural Research, which has a Tobacco Committee of its own and would, if the grant were for the time being placed at its disposal, be able to embark upon a development programme immediately. Among the terms of the proposed offer are the conditions that the Imperial Council of Agricultural Research, before submitting any scheme to be financed from this grant for the final approval of its Governing Body, will consult the Central Board of Revenue and the Finance Department and that it will also immediately appoint a wholetime Tobacco Adviser, to be paid from this grant, who will, inter alia, study the problems of tobacco development, submit suitable and co-ordinated schemes and supervise their working. It was pointed out to the Committee that these arrangements would ensure practical and realistic planning, centralised direction and control and a strong forward drive in tobacco development. ✓

("Indian Information", dated 15-8-1943.).

Government of India to check flight of Capital and Migration  
of Factories to ~~Native~~ States +  
India

According to the New Delhi Correspondent of "Independent India", New Delhi, the flight of capital and the migration of factories and industrial plant from British India to Indian States have been under the serious consideration of the Government of India, particularly the Finance Department. ~~The policy followed by the Examiner of Capital Issue has so far been to discourage and not to sanction companies incorporated in Indian States. The practice, so far regarded, against of purchasing subscribed share capital of companies incorporated in Indian States by investors in British India, has now been prohibited, and it has been made an offence for a British Indian subject to subscribe to the share capital of any company which has not been sanctioned by the Central Government. The re-sale of shares of such companies has also been prohibited.~~

Another proposal which is believed to be under consideration of Government, is to assume power to prevent the dismantling of any factory plant in British India. Anyone proposing to dismantle a factory or plant will, under the contemplated orders, have to obtain the prior permission of the Central Government and satisfy the authorities as to the purpose for which the plant is to be dismantled. Such powers, if taken, will further tighten the machinery for preventing the migration of factories to Indian States.

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The attitude of Indian States towards equalising the cost of production with that of British India has not been sympathetic. So, too, their view in regard to measures to check inflation has not been sympathetic or encouraging.

("Independent India" dated 30-8-1943.).

### Trade and Industrial Conditions in India in 1942

The following analysis of trade, currency, price control, cost of living and industrial conditions in India in 1942 is taken from the "Annual Market Review - 1942" (pp. 84) published by Messrs. Premchand Roychand and Sons, Ltd., Bombay, a leading firm of stock-brokers of Western India.

The War Situation.- During the year 1942 the war assumed truly global proportions. Japan which had started active operations when Germany was taking up "defensive" positions at the end of 1941, met with extraordinary success at the start during the first quarter of the year under review. She managed to achieve practically all that was on her blueprint for the New Order in East Asia. Malaya, Singapore, Java and Sumatra, together with the long chain of islands forming the perimeter round Upper Australia were occupied in quick succession. The Japanese Army ousted Allied troops from Burma and halted on the threshold of India when the rains came. In Europe, the Germans failed to achieve the objects which they had set for themselves in the campaign against Russia, and German armies were being halted and even pushed back by the Russian armies; and in North Africa, the Allied forces which met with initial reverses, were, by the end of 1942, steadily driving back the combined Italo-German armies.

International Trade gives place to Regional Trade: Blackout of Statistical Data.- On the economic front the dim-out on the statistical data assumed the shape of a total black-out. It is not possible, therefore, to deal either with the volume or the direction of international trade. In point of fact what was known as international trade has long since ceased to exist and is succeeded by regional trade dictated as it is mainly by political factors. There is, for instance, (i) the Anglo-American alliance together with the United Nations; (ii) Europe under Nazi Germany, and (iii) Japan with the newly acquired regions comprising the bulk of the world's strategic raw materials such as tin, rubber and oil. While news regarding European and Far Eastern trade is naturally unobtainable, the occasional glimpses that were allowed in respect of Allied trade are now being denied owing to the official policy of strictly withholding information. Exigencies of war are said to have dictated this necessity of international secrecy regarding trade and hence it is not possible to comment on this subject.

Cross Currents in Allied Policy.- One significant feature, which was emerging prominently early in 1943, was the shape of things to come after the war. The alliance of twenty-six nations against the Axis is by no means homogeneous and there are too many intricate cross currents. All want the war to be won, but the pattern for peace is by no means common. This is evidenced by the struggle for power of various French forces in North Africa, the struggle between the Polish Government in London and the Russian Government and the attitude of the different Allies towards the Indian question. ~~Instances could be multiplied~~ Instances could be multiplied in respect of trade and currency policies as well as other problems, but they all bear out how divergent are the trends on the politico-economic front.



Trade: Exports.- Total exports on private account were smaller during 1942 than the two previous years and were valued at Rs. 2145.9 million as against Rs. 2361.8 million and Rs. 2189.1 million in 1941 and 1940 respectively. The decline may be in part due to restrictions on exports in the form of cotton manufactures comprising about 23.19 per cent. of the total exports. Jute manufactures and tea rank second and third, forming 19.56 per cent. and 14.73 per cent. respectively, while other raw materials contributed about 13.39 per cent. of the total. By countries, the United Kingdom and the British Empire countries excluding U.K. were easily the best markets and absorbed Rs. 634.4 million and Rs. 671.7 million, i.e., 30.93 per cent. and 32.75 per cent. of the total exports. Countries in the Middle East and U.S.A. are claiming more and more of Indian produce. Exports to U.S.A. amounted to Rs. 335.2 million in 1942 as against Rs. 410.2 million in the previous year and Rs. 265.9 million in 1940. Exports to Arabia, Iraq and Iran show a marked increase being Rs. 26.1 million in 1940, Rs. 36.1 million in 1941 and Rs. 165.7 million in 1942. No figures for exports on Government account are available but looking to the huge purchases of sterling by the Reserve Bank and the increasing scarcity of certain raw materials and manufactured goods produced in this country, these would appear to be constantly growing in volume and are perhaps as large, if not larger than the exports on private account. ~~Imports~~ Imports into India on private account were considerably curtailed compared to the previous two years and were valued at Rs. 1137.3 million during 1942 as against Rs. 1835.4 million in 1941 and Rs. 1632.8 million in 1940. No information regarding imports on Government account is available. From the 1st of July 1942, the open general licences under which most goods from the United Kingdom, Australia, Canada and Newfoundland were allowed to be imported without special import licences were cancelled. Import quotas on the basis of previous imports during a specified period were fixed and no licences for fresh importers were given." Commenting on the restrictions on import, the review observes: "In view of India's continuous favourable balance of trade, it is rather difficult to understand these added restrictions on imports. If saving of shipping was the main consideration, freight itself could be controlled. The present device of the recognition of the standard period appears to favour the bigger offices and other vested interests and considerably handicaps the expansion of new business enterprise."

The main items of imports was oils - vegetable, mineral and animal - which took up 20.92 per cent. of India's total imports. Electrical goods and machinery and raw and waste cotton, are next best and take up about 11.55 per cent. and 9.82 per cent. respectively of the country's total imports. The U.K. and the British Empire other than U.K. once again took up the bulk, the former sharing 29.76 per cent. and the latter 32.75 per cent. of the total imports. Imports from U.S.A. were considerably less than in the previous years, and amounted to Rs. 204.3 million in 1942 as against Rs. 372.3 million and Rs. 245.7 million in 1941 and 1940 respectively. Imports from Iran were particularly marked up, having risen from Rs. 34.5 million in 1940 ~~and to~~ Rs. 144.6 million in 1942.

Currency.- Whereas both the United Kingdom and the United States Governments took strong measures to check inflation by curtailing the purchasing power in the hands of consumers by various devices, India witnessed a phenomenal rise in its currency circulation during 1942. In the United States, President Roosevelt formulated in early September a seven-point programme to check inflation by reiterating the programme presented on 27th April 1942. The Government of the United Kingdom managed to keep the cost of living and the price level practically

stabilised throughout. The particular method of financing the war adopted in India, however, brought about certain unsatisfactory consequences affecting the economy of the country. The abnormal expansion of paper currency against the growing accumulation of sterling balances proved to be the most discussed problem in the commercial as well as academic circles of the country. The total note circulation which stood at Rs. 1723.7 million on the 1st day of September 1939 went up to Rs. 3210.8 million at the end of 1941 and to Rs. 5782.5 million at the end of December 1942, and by 1st May 1943 it stood at Rs. 6776.1 million, a rise of 293 per cent. over the pre-war figure. Commenting on this expansion of currency, the review observes: "Much has been said and written about the utilisation of the sterling balances which form the principal reserve (over and above the gold coins and bullion which have remained constant at the pre-war figure of Rs. 440 million) against the rupee note issue. In our last year's report, we had referred to the inflationary possibilities lying behind these accumulations if they are used as a reserve against the rupee note issue to an unlimited extent and the currency and price trends during the current year have amply borne out what we had anticipated. The Reserve Bank Act lays down that note issue against Rupee securities is permissible up to 40 per cent., but is unlimited against sterling. If the worst fears of inflation and their dire consequences are to be avoided, some limit - such as 40 per cent. - should be placed in respect of the issue of notes against sterling securities also. If any additional notes are required, they should be issued against gold."

Price Control.- Since the war began and prices started soaring up, there have been at least six Price Control Conferences. Contending that these Conferences have not achieved much, the review quotes the *Economist* (London) of 26-12-1942: "At the beginning of the fourth year of India's war economy the price control policy, if there is any, is still confused and amateurish. It betrays conflict and competition of Central and Provincial objectives. That it has not been inspired as yet by economic foresight is clear from the fact that the price control policy is still being tackled in vacuo." The review goes on to say: "In fact, until the end of 1942 little was done beyond fixing maximum prices of certain articles. Towards the last quarter of the year, stray attempts were made at introducing a system of rations in certain towns, but once again the schemes ~~for~~ were unco-ordinated and in some cases were abandoned after a short trial. Retail shops to provide cheap grains were started by certain industrial employers and some Provincial Governments also opened similar shops to stop further troubles. Restricted quantities of foodgrains and other necessities were made available in these places. But they failed to meet even the normal demands of the population as a whole. The division of the country into various regions, the lack of a centrally conceived plan and the policy of having different controls in different areas, combined with serious difficulties of transport, aggravated the already confused situation. To conclude that the entire control machinery proved a total failure would therefore not be wrong."

Cost of Living.- There was a marked increase in the price and cost of living indices in India during the year under review. Unlike the rise in 1941, the uptrend during 1942 was consistent, continuous and relatively steep. The index number of wholesale prices for Bombay went up steadily from 180 in December 1941 to 266 in December 1942. In Calcutta it advanced from 154 to 238 between December 1941 and December 1942. For the same period the rise in Cawnpore was from 129 to 217. The working class cost of living index in Bombay went up from 129 in December 1941 to 188 in December 1942 and in the case of Jamshedpur from 149 in +

December 1941 to 242 in November and to 226 in December 1942. As a contrast to this state of affairs index numbers in the United Kingdom and the United States of America revealed that the various indices in both these countries have been very nearly pegged over a long period, says the Review.

With regard to the suggestion made in certain quarters that the rise in the cost of living was due to larger disbursements to labour in the form of allowances and bonuses as also to a greater distribution of profits to shareholders of industrial concerns whose gross earnings reached record figures during the year, the review observes: "Although there may be a certain amount of truth in this assertion, the fact remains that, taking the country as a whole, the rise in the cost of ~~living~~ living preceded and did not follow the increase in income and in a large majority of cases the increase in income was relatively negligible. In spite of the control measures, which, from their effects, seemed to be aimed at isolating industrial communities to a certain extent, by putting restrictions on imports and exports of various commodities, the price rise affected much wider groups and areas. It is also said that the increase in employment has led to a general rise in the standard of living and, instead of living on the brink of starvation, the people of the country are in a position to have two square meals a day and that this increased consumption is partly ~~responsible~~ responsible for the conditions of scarcity in respect of foodstuffs. Even here the statement is true in the case of certain selected communities engaged in war industries. In the case of a very large majority of industrial workers, the rise in wages followed the increase in the cost of living and did not precede it. In the case of the farmer, who constitutes a ~~majority~~ portion of the population, the cost of living went up because of the rise in prices of industrial goods, such as cloth, sugar, kerosene and agricultural implements, but the price of agricultural commodities has not advanced anywhere in like proportion. The only theoretical alternative for him was to increase production in order to make up for the deficiency in the rise of agricultural production, but owing to the absence of modernised farming it is not practicable for him to achieve this end."

"The beliefs entertained in some quarters that the conditions of scarcity, particularly in respect of foodstuffs and clothing are due to increased employment and the resultant general rise in the standard of living as a whole may be traced to false notions of the type of forced savings enforced on the country at present. The basic factor affecting the cost of living remains the prodigious expansion in currency. The additional purchasing power thus placed in the hands of the Government created an acute shortage of consumers' goods. Since the form of forced savings was not accompanied by any planned system of price control and rationing of consumers' goods, the higher costs meant lower standard of living except for the selected income groups which were benefited by the increased war expenditure."

Industrial Conditions: External and Internal Disturbing Factors.-  
The even tenor of industrial activity was disturbed by external as well as internal factors at intervals during the year under review. In the first quarter of the year the war was steadily approaching the shores and borders of India. At times, the populace felt a keen sense of a lack of security and nowhere was this experienced more than in the principal industrial areas of the country. The fear of insecurity specially affected the labouring classes and during March-April, exodus of the working class population to the outlying countryside was the most noticeable feature in the country. The two chief industries, jute and cotton, suffered most in this respect and official orders had to be

Full Employment in Textile and Steel Industries.- Conditions of almost full employment prevailed in both the cotton textile and steel industries and their contribution was the main feature of industrial production in India. The former was largely engaged in carrying out war orders and the latter was exclusively devoted to turning out materials essential for war weapons. The jute industry also derived its support from orders placed by the Supply Department for hessians and jute bags. Paper mills worked to capacity trying to meet the sorely felt demand of the people and the Government. Much more could have been got out of the sugar factories and coal mines if there had been some wise central planning at the start.

Machine Tool Industry. - While the lack of the establishment of any heavy industries was keenly felt, a large number of small plants came into operation, the chief of these being the manufacture of machine tools. Lathes, drilling, shaping, slotting and hack-sawing machines and presses were the chief popular manufacturing types of machines turned out. But India's requirements far exceed the present as well as potential manufacturing capacity and it is still essential to import substantial quantities. In fact, further industrial expansion is entirely dependent on imports of capital equipment and some arrangement for the supply of necessary plant and machinery is the most urgent need of the present times. This should relieve the sorely tried shipping space <sup>needed for</sup> in transporting material which could be manufactured in India. Facilities for the provision of such equipment and trained personnel as is necessary should be the first item on the agenda of the United Nations when India occupies such a strategic position and is blessed with suitable raw material and idle capital in abundance.

XGTHBXWIKIXXWFKXXGXGPNHXY;  
XXXXXXXXXXXXXXXGNNKXNDXSPHXKX.

Conditions in Indian Cotton and Jute Textile Industries in 1942.

The following information about the ~~economic~~ conditions in the Indian Cotton and Jute Textile industries in 1942 is taken from the "Annual Market Review - 1942" published by Messrs. Premchand Roychand and Sons, Ltd., a leading firm of stock-brokers ~~of~~ Western India.

### Cotton Textiles.-

Drop in Production.- Cotton textiles remained next to steel the most heavily engaged industry throughout 1942. Conditions during the first quarter, however, differed materially from the same period of the previous year, which witnessed an uninterrupted growth in production. The migration of labour from the principal producing centres and the fear of the scorched earth policy owing to the menaces of Japanese invasion were responsible for a reduction in production during the first four months of the year.

The monthly mill production which had reached a fresh peak of 444.5 million yards in the December of 1941, steadily declined to 332.8 million yards in April 1942. After an increase to 394.7 million yards in July, the production again dropped to 274 million yards in August, following strikes and stoppages of work after the arrest of national leaders in the first week. The total production for the nine months ending September 1942 amounted to 3,032 million yards as compared to 3,319.9 million yards during the corresponding period of 1941 and 2,944.9 million yards in 1940.

Decline in Imports; Increase of Exports.- While production of cotton yarn declined during the year, there was a drop in the import of cotton manufactures. No statistics regarding the quantity are available, but in value, cotton manufactures imported during 1942 amounted to Rs. ~~225x~~ 22.582 million as against Rs. 86.689 millions in 1941 and Rs. 122.729 millions in 1940. Exports, on the other hand, were on an increased scale. Whereas exports were valued at Rs. 141.8 millions during 1940 and Rs. 279.4 millions during the following year, they totalled Rs. 485 millions during the year under ~~xxxx~~ review.

Price of Manufactured Goods; Rise recorded.- Price of manufactures, in consequence, were inclined to be higher, but once again no official indices were available except for the first quarter during which period the price index registered a rise of 10 points from 180 (Base 1914=100) to 190.

Production of Raw Cotton; Decline in Imports and Exports of Raw Cotton.- The production of raw cotton amounted to 5,980,000 bales of 400 lbs each during 1941-42 as against 5,903,000 bales in the previous season and 4,909,000 bales in 1939-40. There was a falling off in imports which were valued at Rs. 111.7 millions during 1942 as against Rs. 154.7 millions in 1941 and Rs. 93.5 millions in 1940. Of special significance was the substantial fall in exports. These had been on a decline since July 1941, when trade relations with Japan were severed. From Rs. 25.852 millions in June 1941, the value of exports steadily declined to Rs. 2.727 millions in January 1942. During the following three months, they registered some rise and went up to Rs. 12.085 millions in April, but consistently declined thereafter till September which marked the low level of Rs. 0.125 million. There was a slight improvement to Rs. ~~0.801~~ 0.801 million during November and Rs. 0.691 million in December. The total of exports during 1942 was valued at Rs. 55.273 million as against Rs. 191.788 millions in 1941 and Rs. 271.177 millions in 1940. The price index number ~~xxxxxx~~ receded from 93 (base 1914=100) at the end of 1941 to 71 during March and April, the months of war panic in the whole of India, but thereafter regained the level of 94 in July and remained unchanged till November.

Reduction of Acreage under Cotton Cultivation; Food Crops Substituted.- Throughout the year, the cultivators of cotton were told by means of varied propaganda to turn to alternative crops of food grains. According to the Fourth All-India Forecast, the area under cultivation for 1943-44 was estimated at 18,716,000 acres as against 23,458,000 acres in 1942-43, a reduction of about 20 per cent. in acreage. The production of cotton is estimated at 4,429,000 bales in 1943-44 as against 6,413,000 bales in 1942-43.

Cotton Mills Work to Capacity; Increase in Mills, Looms and Spindles.- ~~Although~~ All through the year, the textile mills were working to capacity with some interruption as noted above, and as such the consumption of cotton during the year was estimated, according to the statement issued by the Bombay Millowners' Association for the year ended 31st August 1942, at 4,740,722 bales (of 392 lbs. each) against 4,251,022 bales in the corresponding period of 1941, and 3,679,874 bales in 1940. The number of fully equipped mills amounted to 396 against 390 in 1941 and 388 in 1940. The total number of looms increased during the year by 1,596 to 200,170 as

against 198,574 in 1941 and 200,076 in 1940. The total number of spindles also increased during 1942 to 10,026,425 as against 9,961,178 in the preceding year and 10,005,785 in 1940.

Industrial Unrest.- In Bombay city alone there were 27 strikes in 1942 resulting in a loss of 224,000 man-working days as against 15 strikes and losses of 163,000 man-working days in the preceding year. In addition there were stoppages aggregating about 925,000 man-working days for political and other reasons, thus bringing the total loss of production in man-working days to 1,149,000 in 1942.

#### Jute Textiles.

Industry adversely affected by Japanese Threat: Drop in Production.- Jute factories being situated in the area immediately threatened by the Japanese invasion of Burma, manufactures were seriously affected, particularly after the fall of Rangoon. The fillip which had been given to the industry in the latter half of 1941, consequent on large Government orders, lasted till the second month of 1942. The monthly production of manufactures which amounted to 123,000 tons in December 1941, the highest of the year, declined to 105,600 tons in February 1942 and thereafter consistently went down till it touched 79,700 tons in June. There was a slight recovery for the next three months followed by the lowest of the first ten months figures, i.e., 75,700 tons in October. The total mill production of the ten months ending October amounted to 908,500 tons as compared to 955,700 tons in the corresponding period of the preceding year and 1,080,000 tons in the first ten months of 1940.

Decline in Exports.- Owing to the dislocation of shipping in the Bay of Bengal following Japanese successes in the Far East, exports of jute manufactures suffered a sharp setback in terms of quantity, though not so much perhaps in terms of value. During the first 11 months the exports of jute manufactures were valued at Rs. 371.9 millions as against Rs. 428.4 millions in the corresponding period of the previous year and Rs. 515.4 millions in the 11 months ending November 1940. The lowest for the last five years was touched in the month of May, when the value of exports amounted to only Rs. 5.209 millions as compared to Rs. 30.006 millions in May 1941 and Rs. 55.763 millions in May 1940.

Government Orders for Sandbags: Weekly Hours reduced from 60 to 54.- Export of manufactured jute has been the mainstay of the industry. The fall in exports during the year was to a large extent compensated by Government orders for sandbags. The reason for the fall in the export was not so much the lack of demand, but the transport difficulties and the situation in the Bay of Bengal. The stock position at the beginning of the summer necessitated a reduction of working hours from 60 to 54. Over and above this, it was decided to seal 10% of the looms further to ease the situation.

Price Fluctuations.- The index number of prices of manufactured jute which had been rising steadily since the outbreak of the present war and particularly during 1941, tended to decline in the early part of the year under review. In September 1941 the index number stood at 167, but came down to 149 in January 1942 and fell to 117 in April. By June the index number again moved up to 126 and after reaching to 123 in August, rose to 166 in November.

Production of Raw Jute.- The production of raw jute during the year under review amounted to 9,014,000 bales of 400 lbs. each as against 5,474,000 bales in the previous year and 13,186,000 in 1940, as under the Bengal Jute Control Act, the area under cultivation was fixed at two-thirds

of the area in 1940 or twice the area in 1941. Exports of raw jutes for the 11 months ended November 1942 were valued at Rs. 87.9 millions as compared to Rs. 88.9 millions in the corresponding period of the preceding year, and Rs. 141.4 millions in the first 11 months of 1940. The index number of prices moved down from 79 in January to 67 in May, but later improved to 76 in September and to 107 in November. With a view to ameliorate the conditions of jute cultivators, the Government of India decided to extend relief in the form of advances to the extent of Rs. 1.5 millions. The Government of Bengal also fell in line with this measure by allotting Rs. 10 millions for the purpose. It is reported that the acreage for the 1943-44 season has been fixed at half of 1940 figure, the estimated yield of jute being around 9.6 millions of bales from an area of 3.2 million of acres. 4

The Reciprocity (Amendment) Act, 1943.

Reference was made at page 13 of our July 1943 report to the passing the Reciprocity (Amendment) Bill, 1943, by the Central Legislative Assembly on 3-8-1943. The Bill was passed by the Council of State 10-8-1943. The ~~bill~~ received the assent of the Governor General on 3-1943 and is published at pages 46 to 48 of Part IV of the Gazette India dated 21-8-1943.



The Bengal Agricultural Income-tax Bill, 1943

The Government of Bengal will be introducing in the next session of Bengal Legislative Assembly, the Bengal Agricultural Income-tax Bill. The Bill which is being piloted by the Hon'ble Mr. P.C. Goswami, M.L.A. Member, seeks to levy a tax on agricultural income arising from lands and buildings situated in Bengal. Only agricultural incomes in excess of Rs. 2,000 per annum are liable to be taxed. The rate of the proposed tax varies from 9 pies to two annas and six pies in the rupee. It is further proposed that the tax payable should ~~not~~ in no case exceed the amount by which the total agricultural income exceeds Rs. 2,000. In the statement of objects and reasons of the Bill, it is pointed out: "The Government has decided to impose a tax on agricultural income both to secure additional revenue which is urgently needed and because it considers it is equitable to impose such a tax.... The rates are slightly more steeply graded than those existing under the Indian Income-tax Act, but the exemption limit is the same as under that Act, and there is no super-tax."

(Pages 21-42 of Part IV-A, Calcutta Gazette dated 26-8-1943 and the Amrita Bazar Patrika dated 28-8-1943.)

Importance of Irrigation Research

The thirteenth annual meeting of the Research Committee of the Central Board of Irrigation concluded at Simla on 24-7-1943. After a five-day session. In his presidential address, Mr. G.A.M. Brown, President of the Board, emphasised the importance of research and congratulated the Government of Bengal on opening the River Research Institute, as the rivers of Bengal presented one of the most important problems in the Province. A series of technical problems were discussed at the meeting including river training, tidal rivers, the estimation of silt loads in rivers and canals, the design of efficient distributary heads, flood discharges from barrages and the lining of canals to prevent loss of water. The work done at the six irrigation research stations in India, and one in Ceylon, was also reviewed. Sir William Stampe, Irrigation Adviser to the Government of India, addressed the meeting on the subject of increasing the production of electric power by generating stations situated on canals in order to meet the fuel situation.

("Indian Information", dated 15-8-1943)

Hostel for Indian Seamen opened in Liverpool +

A new hostel for Indian seamen has been opened at Birkenhead in Liverpool area by Sir Samuel Runganadhan, High Commissioner for India in London. Hitherto, Indian seamen had to be content with privately owned boarding houses in Liverpool, which were of poor standard. The High Commissioner inspected some of these boarding houses and made a report to the Ministry of War Transport, at whose instance the hostel has been opened by the Liverpool ship-owners. Equipped with modern furniture, the hostel provides accommodation for 120 seamen, and contains a dispensary and a hospital, as well as a prayer room.

("Indian Information" dated 15-8-1943).

The Draft Calcutta Port Rules

The Government of India has, on 2-8-1943, gazetted the draft of the Calcutta Port Rules, proposed to be adopted in supersession of similar rules published by the Government of Bengal on 15-7-1919 and 12-2-1934. The rules deal with: control of movements and equipment of outgoing and inland vessels; precautions against accidents, safety measures and signals; registration and licensing of flats and boats lying within the port area; and strict control of vessels carrying petroleum.

The draft will be taken up for consideration on or after 30-9-1943.

(Pages 871 to 879, Part I, Sec. I, The Gazette of India, dated 7-8-1943.) +

Workers' OrganisationsNorth India Sugar Labour Union, Lucknow

A union of sugar-cane growers, sugar factory workers and middle-class consumers of sugar under the name of the North India Sugar Labour Union has recently been formed at Lucknow under the presidency of Mr. B. Singh, M.L.A. (United Provinces). Below in a statement issued on 14-8-1943, Mr. Anand Singh, the President, setting forth the objects of the Union, says:-

The sugar industry is about the only industry of the country which enjoys the advantage of effective protection and has at its disposal the open market. As such it enjoyed for a number of years, more favourable conditions than other industries. But the last four years of the War have not made the advantage more favourable and beneficial for the manufacturers. In spite of the advantage enjoyed by the manufacturers, they have not granted a commensurate rise, either in the prices of sugar-cane or the wages of their labourers. The spiral rise in the price of sugar, heavily checked by Government control, is due mainly to the manufacturers' refusal to fulfil the obligations arising out of the privilege granted to them by the Government in the form of protective tariff. The situation becomes considerably worse because, while the manufacturers are able to carry out their policy and make it effective through the sugar syndicate, neither the grower, nor the worker, nor the consumer has any organisation or effective representation to his demands and views. Attempts during the last years by the growers and the workers for compensation for the increased cost of agriculture and of living proved hardly to be of any avail.

It is therefore clear that the cane-growers, the sugar factory workers, the lower middle class consumers need presenting their case effectively through some centralised body. The primary duty of the Union, therefore, will be to promote and co-ordinate the demands of the growers, the workers and the consumers on the basis of a scientific and objective examination of facts. It will shortly be presenting a charter of demands to the authorities. It has planned to hold before the beginning of the 'crushing season' this year (1943) a series of conferences at all important sugar manufacturing centres in the provinces.

("Independent India", dated  
14-8-1943.)

All-India Trade Union Workers' Study Camp to be held  
at Delhi on 8 to 17-9-1943.

The Central Office of the Indian Federation of Labour has organised an All-India Trade Union Workers' Study Camp in Delhi from September 8 to 17. The syllabus of studies at the Camp will include: organisation of society; life of social classes, trade unions, labours' rights and responsibilities; the proletariat (its rise, beginning of the modern movement, the future organisation of the future, class struggle in India); problems of production and distribution; and trade unions (their basis, organisation, development, functions, strikes, agitation, propaganda).

(Bulletin of the Indian Federation of Labour,  
June-July, 1943.)

Public Health Commission Appointed:  
Industrial Health to receive Special Attention.

In the Council of State on 6-8-1943, Sir Jogendra Singh, Member Education, Health and Lands, announced that the Government of India decided to appoint a Commission to report on public health conditions in India and that Sir Joseph Bhore, a former Commerce Member, Government of India, had agreed to be its chairman.

Scope of Inquiry.- According to the New Delhi correspondent of the Times, the Commission will be the first of its kind to be appointed in this country: there was a Plague Commission in the closing years of the last century and a Commission to enquire into army health conditions about the outbreak of the Mutiny, but never a Public Health Commission with comprehensive scope of reference - excluding ~~those~~ <sup>those</sup> by bodies like the International Sanitary Commission. The Commission will investigate every aspect of the problem of health, curative as well as preventive. The adequacy or otherwise of medical relief, the quality of medical education in India, the availability of drugs and possibilities of their indigenous manufacture, local facilities for making medical relief available to rural areas (including such proposals as mobile dispensaries), medical research - these and other interlinked questions will naturally engage the attention of the Commission. Problems relating to women and children will be another aspect of the enquiry with which are associated training facilities for nurses and midwives, establishment of welfare institutions and suitable amenities, particularly in provinces like Bihar and the United Provinces where such amenities are notably lacking, <sup>propaganda among</sup> ~~encouragement of~~ communities and how regard the nursing profession with a certain amount of prejudice, and so forth. Nutrition research and balanced diets for different social classes, having regard both to the earning capacities of the people and their habits, will form an important branch of the Commission's task.

Industrial Hygiene.- The subject of industrial hygiene, which has hitherto received hardly any attention, and health problems of industrial workers will be within the scope of the enquiry. Inseparable from health are the housing conditions of labour in industrial areas, the high incidence of tuberculosis and venereal disease being closely linked up with appalling living conditions. No aspect of public health will be excluded from the enquiry.

Co-ordination of Public Health Policy.- So far there has been little co-ordination, whether of policy or method, in handling problems of public health. Such information as is available is spread over many different sources of reports, and health problems as such have never been viewed with the importance they deserve and have attained in other countries. The war has pushed some of these into the forefront, such as the shortage of drugs, withdrawal of a number of medical men from civil life, inadequacy of nursing staff, etc., but the Bhore Commission will approach its task mainly from the point of view of post-war reconstruction. \*

Although no time-limit can be fixed for its completion, the authorities expect the report may be made ready within nine months of the commencement of the Commission's work.

The Correspondent finds in this move the first tangible indication that the Government of India are beginning to take active interest in the problems of social security. He observes that the programme of the Government of Post-War Reconstruction was conspicuous for the omission of all social problems, the report of the Sargent Committee on educational reconstruction not being considered worthy of mention. It is believed the Education Member is keenly alive to the necessity for post-war planning.

gard to other problems also with which his Department deals.

(The Hindū, 9-8-1943.)

Welcoming the appointment of the Commission as highly important post-war reconstruction, the "Times of India", in an editorial on 20-8-1943, says: "... In India the level of health is low, death rate of 22.4 per thousand is higher than Java's 18.8 and Japan's expectancy of life in India is 27 years as compared to 67 in Australia and 74 in Japan. The death rate in India's chief cities is more than that in London and thrice that in New York. India requires in particular the development of health, education in a modern educational system before national health can reach a satisfactory level.... Our medical services are inadequate. There are approximately 42,000 doctors, of whom two-thirds are licentiates. The nursing situation is even more less. There is one nurse to ten doctors in India whereas in Great Britain there are two nurses to each practising doctor. At present our medical colleges pass out 700 doctors and 1,000 licentiates annually. There was one physician per 2,000 of the population, India would require 200,000 doctors..... If the Commission's report is to be of value it should be ready in six to nine months; it should contain proposals to improve nutrition, to raise the standard of living, and to develop health education and public health services. By the manner in which the Commission weaves a pattern into which the various competing authorities can fit their labours will be judged and the success of its proposals assured."

Wages

Dearness Allowance of Railway Daily-Rated Staff

The Railway Department, Government of India, has on 29-8-1943, issued a notification to the effect that ~~existing~~ <sup>existing</sup> unpaid holidays, workshops and other daily-rated staff in railway employment, will be eligible for dearness allowance at the full rate applicable to them.

(Page 871, Part I, Sec.I, The Gazette of India, dated 7-8-1943.)

Industrial Disputes

Adjudication of Industrial Disputes

The existing provisions for the settlement of disputes occurring in British India include those of the Trade Disputes Act, 1929, the Bombay Industrial Disputes Act, 1938, and the Defence of India Rule A. Rule 81A provides inter alia for a reference by Government of India of industrial disputes to adjudication. The award of an adjudicator can be enforced by the Government concerned. Adjudication, it may be pointed out, is not equivalent to arbitration, but since adjudication awards can be enforced by an order of Government it becomes for all practical purposes, in such cases, arbitration. The number of cases referred to adjudication was 38 during 1942, and 19 up to 31-3-1943. The matters in dispute usually related to the grant of dearness allowances, bonus or special allowances, supply of foodgrains through ration shops, etc. (For a tabular statement containing information with regard to important details of adjudication cases, see the July 1943 issue of the Indian Labour Gazette, published by the Labour Department of the Government of India, a copy of which was sent to Montreal with our Minute D.1/598/43 dated 30-7-1943.)

Machinery.- No permanent adjudication court has, so far, been set up in any province, but the establishment of such a court is under contemplation by one Provincial Government. Adjudicators are being appointed ad hoc in the case of each dispute. A continuity in the personnel of adjudicators is, however, maintained in practice in all the provinces. In many instances, the Labour Commissioner of the province is appointed adjudicator. In Bengal, however, some cases have been referred to the Workmen's Compensation Commissioner or the War Injuries Claims Officer. In Bombay, High Court judges, serving or retired, have been appointed in the case of disputes in Bombay City, and District judges for mofussil areas.

Procedure.- Defence of India Rule 81A does not prescribe any procedure for adjudication, but leaves this to be laid down by the Government referring any dispute to adjudication. It has been usual for Governments to adopt suitably the procedure under the Trade Disputes Act. In Bombay, the Provincial Government has avoided ordering adjudication in cases where the machinery of the Bombay Industrial Disputes ~~Act~~ Act can be brought into use.

Results.- The machinery of adjudication has been extremely useful in the prevention and the early settlement of industrial disputes. Since the introduction of adjudication, the number of strikes has remained at a low figure, and where strikes have occurred, their duration has been small. Instances of strikes lasting for over two weeks have been very rare. There has been no case of any strike or lock-out during the pendency of adjudication procedure. Both employers and employees have been willing to abide by the procedure and by the decisions of

adjudicator. In no case has there been any need for penal action under the rule in respect of adjudication proceedings in any province.

(The July 1943 issue of "Indian Labour Gazette" published by the Department of Labour, Government of India.)

### War Transport

#### Transport Controllers' Conference

A conference of representatives of the War Transport Department, Motor Transport Controllers of Madras, Bombay, Central Provinces and Berar, and also representatives of the Nizam's Dominions, Baroda, Cochin, Travancore, the Western India and the Central India States was held at Nagpur recently. Sir Kenneth G. Mitchell, Controller, Road Traffic, Government of India, presided. The conference discussed a wide range of questions relating to war transport, particularly the distribution and control of the use of new motor trucks received on lease-lend and of spare parts for certain makes of trucks which also are now being received on a lease-lend basis in substantial quantities. The further use of producer gas plants was also discussed and it was decided that the majority of new vehicles received on lease-lend would have to be fitted with plants of the types to be approved by the Provincial and State Controllers as suitable for use on these vehicles. This meeting follows a similar regional meeting of Controllers held some time back at Calcutta and will be followed by other meetings in different regions of India with a view to pooling the experiences of the different Controllers and establishing closer contact between the inter-provincial and the Central authorities of the War Transport Department.

("Industrial Bulletin" of the Employers' Federation of India, dated 23-8-1943.)

### Compensation for War Injuries

#### The War Injuries (Compensation Insurance) Act, 1943

Reference was made at page 37 of our July, 1943, report to the passing by the Indian Legislature of the War Injuries (Compensation Insurance) Bill, 1943. The Bill received the assent of the Governor-General on 2-9-1943 and is published at pages 49 to 56 of part IV of the Gazette of India dated 11-9-1943..

### War Risk Insurance

#### The War Risks (Inland-Vessels) Insurance Ordinance, 1943

In order to make provision for the insurance of inland vessels against war risks and to make certain amendments in the War Risks (Factories) Insurance Ordinance, 1942. (vide pages 401-407, the Gazette of India Extraordinary dated 8-4-1942) and the War Risks (Goods) Insurance Ordinance, 1940 (vide pages 519 to 527, the Gazette of India Extraordinary dated 26-8-1940), the Government of India has on 17-7-1943 promulgated the War Risks (Inland Vessels) Insurance Ordinance, 1943 (Ordinance XXV of 1943). Under the Ordinance, the provisions of the War Risks (Factories) Insurance Ordinance, 1942, and of the War Risks (Factories) Insurance Scheme made thereunder will be extended, so as to apply in the same manner as they apply

the insurance of property insurable under the Ordinance in relation to a factory, to the insurance against war risks of inland vessels including the hull, machinery and fittings thereof, fuel and stores carried for the use of the crew), and the property belonging to any trading corporation or body of Port Trustees or Commissioners specified in this behalf by the Central Government, while such vessels, fuel and stores are not for the time being plant or materials insurable in relation to a factory under the said Ordinance and Scheme, or goods insurable under the War Risks (Goods) Insurance Scheme made under the War Risks (Goods) Insurance Ordinance, 1940 (IX of 1940). The present Ordinance imposes, on trading corporations, Port Trusts and Commissioners, in case inland vessels are ~~insurable~~ insurable, an obligation to take out, in such date as may be specified in this behalf by the Central Government by notification in the official Gazette, a policy of insurance against war risks of the vessels, fuel and stores for a sum not less than their insurable value.

(Pages 535 to 536, The Gazette of India  
Extraordinary dated 17-7-1943.).



Government of India to take steps to prevent drift of their  
Clerical Personnel for securing Higher Pay.

From the correspondence that the Committee of the Bombay Chamber of Commerce reports to have passed between the Government of India and the Associated Chambers of Commerce of India, towards the end of June, 1943, it is understood that the Government intended taking steps in respect of its own clerical personnel to prevent drift for the purpose of securing better remuneration from one office to another. It appeared that there was not an actual shortage of clerical or administrative personnel but there was an increasing demand for clerical personnel with some experience and that, therefore, unless steps were taken there was likely to be a waste of man-power as a result of individual offices training clerks for their work who subsequently left them to better their prospects. The Government sought information as to whether such tendency of drift was occurring in industrial and commercial undertakings and whether such undertakings had developed any schemes for preventing such drift, and it invited the Associated Chambers of Commerce whether it could give the Government information on the following points:- (1) Whether it was generally felt that there was any shortage in respect of clerical personnel in industrial and commercial undertakings - leading to undesirable competition as between various undertakings for available clerical personnel; (2) whether, if such undesirable competition, in fact, existed, the Association had taken any steps to control it in so far as employment by members of the Association was concerned.

When their view was sought on the matter, the Committee of the Bombay Chamber of Commerce informed the Associated Chambers: ~~that~~ There was a ~~main~~ shortage in respect of trained clerical personnel in industrial and commercial undertakings, due in the majority of cases, to competition from other commercial undertakings but from Government concerns, viz., Defence Services, British and American. There had also been a certain drift of personnel from the older established banks and insurance companies, which had been attracted by the higher salaries being offered by newly established concerns. It had not been found possible to control the competition in question and the salaries offered, ~~by them~~, and the Committee invited what steps the Government of India were taking in respect of its clerical personnel.

(Excerpts from the Proceedings of the Committee of Bombay Chamber of Commerce for July, 1943.)

Employment of Discharged A.R.P. Personnel

Reports from those Provinces where A.R.P. establishments are being liquidated in accordance with the revised civil defence policy, indicate that discharged personnel are being absorbed quickly into other jobs. The labour market is so good and the personnel for discharge so scattered over so wide an area that no difficulty is being experienced. Wardens and former A.R.P. workers are being employed in connection with the food problem - compiling census for rationing schemes, in regulating queues at food distribution centres, etc. Many in the upper ranks of the Civil Defence Organisation, who had been holding other posts, have gone back to their substantive appointments and most of the clerks are reported to have found employment immediately on discharge. Civil Defence trained officers and men of the fire-fighting services have proved so useful in ordinary civil life that their retention even after the war is being considered by Provincial Governments. In Bombay, the Provincial Government has found the Civil Defence Transport Division of such value, both practical and economic, that ~~it is~~ it is likely to retain it permanently.

("Indian Information", 15-8-1943.)

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Working of the National Service Labour Tribunals from July 1940  
to March 1943

Nine National Service Labour Tribunals were constituted towards middle of 1940, under the National Service (Technical Personnel) ~~Ordinance, 1940~~ Ordinance, 1940, promulgated in June 1940 (see pages 33-34 of our June 1940 report). In June 1942 a tenth Tribunal was established for Delhi and Ajmer-Merwara. The jurisdiction of the Tribunals extends also to British subjects in Indian States.

Chairmen of Tribunals were originally all part-time officers, but later it was found that this was not a satisfactory arrangement and full-time Chairmen were appointed for the Bengal, Bombay, Madras and Punjab Tribunals. The members of Tribunals usually represent the provincial Labour Offices, ordnance factories, railway administrations, organisations under the technical training scheme and the military training technical recruiting staff operating in the area concerned.

Since their establishment up to the end of March 1943, the Tribunals have taken into the national service 7,480 persons. 74 appeals were made against orders of the Tribunals taking personnel in the national service and in all 11 cases the Tribunals' orders were modified. During this period the Tribunals received 5,351 applications from technical personnel employed in industrial undertakings for permission to leave their employment, and of these, permission was refused in 2,011 cases on the ground that the men were already engaged on work of national importance. Revised terms of service were fixed for 52 out of the 111 men refused permission. Prosecutions were launched for contravention of the provisions of the Ordinance in 2,194 cases out of which 1,194 were against employers. Most of the prosecutions against employees were for leaving their employment without the permission of the Tribunal and as they returned to work later the prosecutions were withdrawn.

In addition to their statutory functions, the Tribunals have been entrusted with the work of selecting and posting trainees under the Technical Training Scheme. They also make the preliminary selection of candidates for training under the Bevin Training Scheme. Their services are generally available to all industrial undertakings needing technical personnel and to unemployed personnel in search of employment. During the situation created by the influx of evacuees from Burma, Malaya and other eastern countries, the Tribunals maintained a register of evacuee technical personnel and made efforts to find employment for them. 2116 such personnel registered themselves with the Tribunals; out of these employment was found for 510.

("Indian Labour Gazette", August, 1943).

Advanced Training of Machine Tool Artificers and Tool Makers

In order to meet the requirements of ordnance factories and civil industry for skilled machine tool artificers and tool-makers, a new scheme has been prepared by the Government Office in consultation with the Indian Engineering Association. Under this scheme, selected tool-maker and fitter trainees who have passed their trade tests from training centres under the Technical Training Scheme will be allotted to firms engaged in civil industry for advanced training under factory conditions. In addition to these trainees, similarly qualified trainees will also be taken from the ordnance factories' buffer training centres. During the period of training remuneration will be paid by Government at Rs. 1-10-0 per day in Bombay area, and Rs. 1-8-0 per day elsewhere,

any additional allowances current in the workshops to which the trainees are posted. The duration of training will be 6 to 9 months. At its completion the trainees will be trade tested and finally posted to the Chairman of National Service Labour Tribunals to suitable employment in ordnance factories and civil industry in consultation with the Director of Factory Recruitment, and the Indian Engineering Association.

("Indian Labour Gazette", August 1943).+

The National Service (Technical Personnel)  
Amendment Ordinance, 1943.

The Government of India has, on 17-7-1943, issued the National Service (Technical Personnel) Amendment Ordinance, 1943, further amending the National Service (Technical Personnel) Ordinance, 1940 (see pages 33-34 of our June 1940 report). The more important changes in the ~~present~~<sup>parent</sup> Ordinance are as follows:-

(a) The Ordinance is now applicable to technical personnel over 18 years instead of over 15 years.

(b) Under the Ordinance employers are under an obligation to re-employ persons released by them on the orders of the Tribunals for employment in the national service, on the termination of that service. It has now been made clear that this liability shall not extend to persons if they were employed in a probationary or temporary capacity. Special Tribunals will adjudicate on cases in which the employer refuses to reinstate, or denies his liability to reinstate.

(c) Hitherto, while technical personnel employed in an industrial undertaking on which an order under sub-section (1) of Section 13 has been served were required to obtain previous permission of the Tribunal before leaving their employment, the owner of such an undertaking had only to give notice to the Tribunal of his intention to discharge or dismiss technical personnel. In order to equalise the obligations on employers and employees it has now been laid down that the employer also shall be required to obtain the previous permission of the Tribunal. In considering applications for such permission, the Tribunal shall refuse permission to discharge or dismiss only on the ground that the employment of the technical personnel in that particular employment is in the national interest.

(d) Offences under the Ordinance have been made cognisable but courts will not take cognisance of such offences except with the sanction of a Tribunal, Special Tribunal or the Central Government.

(Pages 537 to 549 of the Gazette of India Extraordinary and "Indian Labour Gazette", August, 1943.).

Country-wide 'Save and Lend' Campaign to be  
Launched: Target of Rs. 1000 million.

A 'save and lend' campaign with a target of <sup>Rs.</sup>1000 million, to be reached by the end of March 1944, will be launched shortly by provincial Governments all over the country, according to a plan prepared by the Central Government. This comes of the realisation by the Government of India that an anti-inflationary drive to be successful must include in its scope both big money and the small investor. Government now feels that the measures it has recently adopted have been effectively with regard to the richer classes, and the present scheme is intended for tapping the surplus money in the hands of small investors.

The need for a 'save and lend' drive has been felt at this stage because the cultivator will, for the first time, reap the full benefit of the high prices of his produce during the next crop. It is calculated that cultivators will have about Rs. 2000 million in hand, over and above what they received in pre-war days. As the cultivator's fixed charges, such as land revenue and interest on debt, have not increased and represent a small part of his earning, it is feared he will use his surplus money for purchases that will result in further pushing up of prices all round. The peasant may also be tempted to borrow heavily on the strength of the inflated value of his land and other assets and when, after the war prices come down, he will be in the same depressed condition as after the last war.

The object of the proposed campaign is therefore to help the cultivator to lay by a part of his income which he can use to advantage after the war. And as the assurance of victory has already resulted in the small investor lending about Rs. 20 million a month to the Government without persuasion, it is felt that ~~it is now~~ <sup>the present</sup> the psychological moment to stimulate interest in small saving. The campaign aims at persuading each cultivator to subscribe individually to Defence Savings Certificates or to War Loans. Another method of freezing purchasing power suggested to provincial Governments is that they should raise the level of taxation and set aside funds so collected for post-war reconstruction. Amusements tax, sales tax, court fees and stamp and excise duties offer scope for additional taxation. It is considered particularly desirable that tax be levied on agricultural incomes and some provinces, at any rate, are expected to include such incomes. Whatever money is thus immobilized by a province, either by taxation or by subscriptions to Defence Loans, will be credited towards the target fixed for each province. But it is made clear that such collections must be over and above the average of loans and taxes collected by each province in the past year.

Since the Government of India has no adequate machinery at hand, the Provincial Governments have been authorised to work out their own programme for immobilizing purchasing power in the countryside. To carry the campaign into the countryside, group leaders will be appointed for various districts. These persons, whether official or non-official, will be chosen for their local influence, and National War Front and other official and non-official agencies will co-operate with them. The campaign has already been started in the United Provinces and Madras. It is expected that if all provinces co-operate the target of Rs. 1000 million should be passed before March 1944. Government hopes that every section of the community would co-operate in making the scheme a success, because it will keep down prices for all, build up a national reserve for postwar reconstruction and bring India up to the standard of modern States in which small investors lend direct to the State and have a stake in national economy.

(The Statesman, dated 27-8-1943.)

## Textile Industry

### The Bombay Cotton Cloth Dealers Licensing Order, 1943

The Government of Bombay has, under the Defence of India Rules, issued on 3-8-1943, the Bombay Cotton Cloth Dealers Licensing Order, 43, under which no person in the Province may, after 15-10-1943, sell, store for sale, cotton cloth except under and in accordance with the conditions of a licence granted by the licensing authority. The fee charged to a hawker for the grant of a licence is Re. 1 and that to any other dealer Rs. 5. Owners of textile mills and persons selling cloth for sale manufactured by themselves or the members of their family are exempted from the provisions of the Order.

(The Bombay Government Gazette Extraordinary dated 3-8-1943.) +

#### Ceiling Prices to be fixed for Bobbins and Shuttles

According to a press note dated 24-8-1943, issued by the Textile Commissioner, Government of India, the Government has, on the advice of the Mill Stores and Priority Advisory Committee of the Textile Control Board, decided to fix new ceiling prices for bobbins and imported shuttles used in cotton mills. The new ceiling prices are to come into force in August 1943.

(The Hindustan Times, dated 25-8-1943.) +

#### Ceiling Prices fixed for Cloth and Yarn

The Textile Commissioner, Government of India, announced on 15-8-1943 the fixation by the Government of ceiling prices for cotton textile cloth and yarn. As a result of the recommendations made at the recent meetings of the appropriate committees of the Textile Control Board, ~~new~~ ceiling prices have been fixed for twelve standard varieties of grey and bleached cotton cloth and a few varieties of cotton yarn. The Board will be expanding this list as much as practicable so as to include the largest possible number of well-known varieties. The prices fixed are for the best selling quality of each type and are only applicable for goods sold in India for internal consumption. It has been agreed by the Board that cloth and yarn will be sold at these prices, or at corresponding prices for other qualities in retail, at a uniform maximum price all over India, which will not exceed a margin of 15 per cent. over the ceiling prices including freight and other charges, which will not be above 5 per cent. or a total gross margin of 20 per cent.

(The Hindu dated 20-8-1943.) +

For a review of conditions in 1942 in the Indian textile industry (cotton and jute) see section: "Economic Conditions" of this report. +

Allotment of India's Coastal Trade Quotas:  
Charge of Neglect of Indian Shipping Companies.

In reply to interpellations put by Mr. K.C. Neogy in the Central Assembly on 12-8-1943, relating to the appointment of the Indian Shipping Minister and the allotment of quotas of India's coastal trade between the principal shipping companies operating in India, the British Indian Company and the Asiatic Steam Navigation Company (both British companies), the Scindia Steam Navigation Company (an Indian company), the Commerce Minister stated that in 1941, the quota of carryings of the British Indian and the Scindia Steam Navigation Companies were short of their respective shares by 28,480 tons and 916 tons respectively, while those of the Asiatic Steam Navigation Company were in excess of their share ~~to~~ by 29,396 tons. In 1942, however, the Asiatic Steam Navigation Company ~~were~~ carried 16,314 and the British India Steam Navigation Company 30,264 in excess of their respective share of the quota carryings. While the two British companies were allocated steamers by the Ministry of War Transport, the shortage of carryings by the Scindia Steam Navigation Company was chiefly due to the requisitioning of a large number of their vessels by the Government and also partly to the fact that Scindia did not, after about 1942, insure their ships against war risks in the Bay of Bengal and preferred to employ their free ships exclusively on the west coast.

In a statement to the press issued on 14-8-1943, commenting on the attitude of the Government of India towards Indian shipping industry, as expressed in the Commerce Minister's statement, Mr. Shantikumar Morarjee of the Scindia Steam Navigation Company, points out that it was a matter of deep regret that the Government of India, while showing deep interest in actively helping to maintain the dominant position of British shipping in Indian waters, was not only adopting a stepmotherly attitude towards Indian shipping but raising false hopes by giving promises and assurances which will not or cannot fulfil. The Government first appointed a Scotchman previously connected with British shipping as Controller of Shipping in India. This was followed by the appointment of another European as Indian Shipping Adviser. The Indian commercial community protested against these appointments but the Government completely ignored these protests. In denying the appointment of the Indian Shipping Adviser, the Government of India advanced the plea that they would thereby enable Indian shipping to maintain its position and carry its quota in coastal trade. He added that the policy of the Government of India was in direct contrast with that followed by the British Government in regard to British shipping interests. The complete helplessness, on the one hand, of the Government of India, to come to the rescue of Indian shipping, and the active encouragement, on the other, of the British Ministry of War Transport, for increasing the domination of British shipping in India's national waters, constitute a deep tragedy for a maritime country of India's position, strategy and importance. Mr. Shantikumar appealed to the Commerce Minister to see that ~~that~~ <sup>that East</sup> justice is done to Indian shipping ~~to enable~~ <sup>to enable</sup> it to maintain its present position built up at such great sacrifices, ~~and devise means to enable it to carry on its quota of trade.~~

(The Hindu, dated 13-8-1943, ✓  
The Amrita Bazar Patrika, 17-8-1943.)

Transport Controller's Conference

A conference of representatives of the War Transport Department, the Motor Transport Controllers of Madras, Bombay, Central Provinces and Berar, and also representatives of the Nizam's Dominions, Baroda, Mysore, Travancore, the Western India and the Central India States was held at Nagpur recently. Sir Kenneth G. Mitchell, Controller, Road Traffic, Government of India, presided. The conference discussed a wide range of questions relating to war transport, particularly the distribution and control of the use of new motor trucks received on lease-lend and of spare parts for certain makes of trucks which also are now being received on a lease-lend basis in substantial quantities. The further use of producer gas plants was also discussed and it was decided that the majority of new vehicles received on lease-lend would have to be fitted with plants of the types to be approved by the Provincial and State Controllers as suitable for use on these vehicles. This meeting follows a similar regional meeting of Controllers held some time back at Calcutta and will be followed by other meetings in different regions of India with a view to pooling the experiences of the different Controllers and establishing closer contact between the inter-provincial and the Central authorities of the War Transport Department.

("Industrial Bulletin" of the Employers' Federation of India, dated 23-8-1943.)

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Control Measures

Transport of Cattle outside Sind Controlled

The Sind Government has, under the Defence of India Rules, issued on 20-8-1943, an order to the effect that cattle and camels should not be transported out of the province except under Government permit.

(The Sind Government Gazette Extraordinary,  
dated, 20-8-1943.) +

The Bihar Control of Country Boat Traffic Order, 1943.

The Bihar Government has, under the Defence of India Rules, issued on 16-8-1943 the Bihar Control of Country Boat Traffic Order, 1943, under which owners of heavy country boats (those capable of carrying 10 maunds, i.e., 820 lbs. or more) plying in the province are required to register their boats with the registering officer within 15 days of the date of the order. Also no heavy country boats to transport foodgrains (rice, wheat, maize, barley, jowar, bajra, etc. and their products) without a pass issued by a District Magistrate.

(The Bihar Gazette Extraordinary,  
dated, 19-8-1943.) +

Control of Drug Prices

The Government of India's decision to issue orders under the Defence of India Rules controlling the prices of drugs and medicines in common use in the country was announced by Mr. M.S.A. Hydari, Secretary, Department of Industries and Civil Supplies, Government of India, at a Conference with drug manufacturers and importers held at Bombay on 16 and 17-8-1943. The control which will come into force from November, 1943, will make it obligatory on distributors to sell proprietary and indigenous medicines of certain types at fixed prices. The articles will cover a wide range and will have a seal of control fixed on them. It is proposed to license distributors, who will be required to display a board indicating the rates at which the controlled drugs are sold by them.

(The Times of India, dated, 18-9-1943),

U.P. Order Prohibiting Removal of Sugar Factories from  
the Province

The United Provinces Government has, under the Defence of India Rules, issued on 26-8-1943 an order under which no plant or factory situated within the United Provinces and producing sugar by means of vacuum pans may, without the previous permission of the Provincial Government, be removed from its existing site in the United Provinces with a view to its being re-erected and worked on a site outside the United Provinces. Any contravention of the provisions of the Order is punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

(Page 4, the U.P. Gazette Extraordinary,  
dated, 26-8-1943.) +



The Bengal Foodgrains Price Control Order, 1943

The Bengal Government has, under the Defence of India Rules, issued on 24-8-1943, the Bengal Foodgrains Price Control Order, 1943, by which the Government has assumed powers for notifying, in the Official Gazette, the maximum prices at which foodgrains may be sold or purchased in the province. Only paddy (unhusked rice) and rice are taken under control for the present. Other foodgrains may be included by subsequent notification.

(Pages 1382-1383, Part I, The Calcutta Gazette, dated 26-8-1943.)+

Bengal Order restricting number of Guests at Social Functions.

The Government of Bengal, has, under the Defence of India Rules, issued on 27-8-1943, an order under which no person acting as host may entertain anywhere in Calcutta and the surrounding industrial areas more than fifty persons on any one day in connection with a social function except under a permit issued by the Regional Controller of Civil Supplies for Calcutta and the Industrial Area.

(The Calcutta Gazette Extraordinary, Part I, dated 28-8-1943, pages 143-144.)+

Rationing to Begin in Madras City from 17-8-1943

By a notification dated 16-8-1943, the Government of Madras has announced that the Madras Rationing Order will come into force in the City of Madras on 17-8-1943.

(Page 776, Part I, Fort St. George Gazette dated 17-8-1943.)+

Rice Rationed in Madras City

In exercise of powers assumed under the Madras Rationing Order, 1943, (vide page 31 of our July 1943 report), the Government of Madras has issued on 21-8-1943 a notification declaring rice to be a rationed article in respect of the City of Madras.

(page 779 of Part I, Fort St. George Gazette, dated 24-8-1943.)

Food Control Measures in Mysore State

According to a statement issued on 9-8-1943 by Mr. S. Narayana, Secretary, Supplies Department, Government of Mysore, the Government has issued an order under which all persons in the State possessing foodgrains above certain specified quantities are required to declare such stocks by 30-8-1943 and to sell them to Government at a certain fixed rate above the present controlled rate by 11-9-1943. After that date, a programme of commandeering will be drastically enforced and compensation payable for foodgrains obtained by commandeering will be at rates not higher than the controlled rates which existed prior to 1-9-1943. Cost of such commandeering and transport will also be deducted from such compensation. In addition, false declarations and unauthorised retention of stocks will be punishable under the law with imprisonment to three years or fine or both.

It has been further ordered by Government that from 9-8-1943 to 9-1943, food grains in ~~excess~~ excess of quantities fixed by the Government should not be sold or transported by any person except to Government depots, or except under a permit from a valid authority for a ~~vide~~ personal consumption. Sales and purchases up to 5 seers (seer = 2 lbs.) in any single transaction are ~~exempted~~. Stocks sold transported in contravention of Government ~~are~~ liable to be confiscated.

("Federal India and Indian States", Bangalore, dated 18-8-1943.)

Foodgrains Policy:  
Committee set up by Government of India.

In view of the situation which has arisen throughout India in respect the supply and distribution of foodgrains, the Governor General in Council has decided to set up a Foodgrains Policy Committee, which will ~~mine~~ review the past policy and present position of India in regard to the supply, distribution and price of foodgrains in the light of all relevant conditions including those imposed or liable to be imposed by the war, and recommendations, both of policy and for administration, for securing, the duration of the war, maximum supply, equitable distribution and ~~per~~ control of prices in relation to foodgrains. Free trade will not be considered except as an objective for the return of normal conditions.

Sir Theodore Gregory, Economic Advisor to the Government of India, is Chairman of the Committee, and Mr. A.D. Gorbala, its Vice-Chairman. M.M. Jinnah is the Secretary. It is composed of four representatives of the Government of India; one representative each from Madras, Bombay, United Provinces, Punjab, Bihar, Central Provinces and Berar, Sind and Baluchistan; one representative each from Hyderabad, Travancore and Cochin, and a nominee of the Chancellor of the Chamber of Princes; and five non-officials. The Committee will be financed from the central revenues. The sessions of the Committee began on 8-7-1943, and it was expected to report to the Government of India early in August 1943.

(Industrial Bulletin of the Employers' Federation of India, dated 9-8-1943.)

The Bengal Foodgrains (Movement Control) Order, 1943

The Bengal Government has, under the Defence of India Rules, issued 21-8-1943, the Bengal Foodgrains (Movement Control) Order, 1943, prohibiting the export from the province of foodgrains (wheat, rice, jowar, ra, etc.) in excess of two and a half maunds (1 maund = nearly 17 lbs.), except under a permit issued by the Director of Civil Supplies, Calcutta.

(The Calcutta Gazette Extraordinary dated 21-8-1943.)

Tubewell Irrigation to Reinforce Food Drive:  
100,000 uncultivated Acres to be brought under Foodgrains.

Several irrigation schemes, including the sinking of some 300 tubewells in the United Provinces and Bihar, so as to put under foodgrains, by the end of 1944, more than 100,000 acres of land hitherto either uncultivated or only partly cultivated, are shortly to be carried out. Similar emergency irrigation projects for other provinces, calculated to increase the country's food output during the war and to help in post-war development of agriculture, are under consideration by the Government.

ral and Provincial Governments. The cost of the scheme is being borne mainly by the provinces, but the Government of India are helping with funds and in securing equipment in the shortest possible time.

("Indian Information", 1-9-1943).

Rationing in Urban Areas:  
Recommendations made in Mr. W.H. Kirby's Report.

It is learnt that all preliminary steps will soon be taken for the introduction of food rationing in urban areas in the country and a course of instruction has been arranged in Bombay, where food rationing is already functioning satisfactorily, for Provincial and State Government officers. It is understood that this decision, arising directly out of the recommendation of the recent Food Conference (vide paras 28-29 of our July, 1943 report) has followed the submission of a report by Mr. W.H. Kirby, Rationing Adviser to the Government of India. Kirby is of opinion that an individual card-rationing scheme, suitably organised and enforced with determination, is workable with success in urban areas. Chief among the recommendations submitted by him for consideration by the Government are: (1) A comprehensive, efficient card-rationing scheme should be brought into immediate operation in all the larger cities of the country. (2) The fact that only conditions are not yet satisfactory in certain areas is no reason for postponing rationing. The uncertainty of supply is an additional reason why strict rationing must be brought into force immediately. The basic ration can be increased as the supply position improves. (3) Provinces and States should keep a uniform model scheme but only alter ~~such details as may be necessary to suit local conditions~~ details to suit local conditions. All precautions should be taken to ensure an equitable distribution and rationing of all essential food supplies, and only those commodities which at present seem to be in short supply. It is desirable to establish Food Advisory Committees or Food Control Committees throughout the country. For any scheme of rationing to be successful, it is necessary to secure wherever possible, the co-operation of experienced wholesale grain merchants, who have a very good knowledge and experience of the grain trade.

It has been found that in places where Government has opened up all shops and sells grain direct to the public, the experiment has gone a long way towards creating confidence. Mr. Kirby has made a number of other recommendations in his report, which is now under consideration by the Government.

("Indian Information", 1-9-1943).

Food Rationing in Urban Areas:  
Government of India's Circular letter to Provincial and State Governments.

In a circular letter on the subject of introduction of food rationing in urban areas in the country, recently addressed to Provincial and State Governments, the Government of India is understood to have set forth for their guidance the following points:

The object of food rationing is not to reduce consumption but to distribute short supplies in an equitable manner. When supplies are short and irregular a closely controlled rationing scheme becomes even more necessary to ensure fair distribution to all. Rationing requires strict control. No matter how widespread rationing is, it will not ensure equitable distribution among all income groups, unless prices are low enough to enable everyone to buy his ration. Food rationing schemes

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ld be, in policy and detail, as far as possible, uniform. Food  
oning should be comprehensive. It is necessary to plan ahead  
ing in mind probable expansion. All food control must have its  
l sanctions, and for rationing, the authorities require powers for  
eration, registration and distribution.

Local Food Advisory Councils or Food Control Committees should  
et up, having as members representatives of trade, transport and  
ribution, hotel and catering experts and welfare workers. Both  
upply and distribution established ~~wholesale~~ and retail traders  
ld be used, under Government licence and supervision to carry out  
ations as Government's agents. Side by side with these, distri-  
on can also be made through efficiently managed Government grain  
s, many of which already exist.

("Indian Information", 1-9-1943.)+

#### Stricter Food Control in Travancore State

A Press Communiqué dated 24-8-1943 issued by the Travancore  
rnment states that the Government have resolved to introduce  
ughout the State a system of rationing applicable to all classes  
eople alike under which the basic ration of rice will be uniform,  
no difference between individuals and groups of individuals  
nstitutions, except in regard to landholder or cultivator or to  
essential services as may be prescribed by the Government in  
behalf. The Communiqué explains that there is an annual deficit  
67 thousand tons of rice in the State and ~~that~~ details  
measures Government have taken to meet the extraordinary situation.  
e measures include tapping of alternative sources of supply, pre-  
ing of hoarding, prohibition of export of tapioca, prohibition of  
ing of paddy in mills and popularisation of novel diets like  
lets and gram.

(The Hindu, 25-8-1943.)+

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Post-War Reconstruction

India's Post-War Financial Policy: Utilisation of Foreign Balances:  
Mr. N.R. Sarker's Statement.

Mr. Nalini Ranjan Sarker, ex-Member of the Viceroy's Executive Council, in a statement to the press dated 9-2-1943, examines the two tentative post-war international currency plans recently published by British and American financial experts, and explains India's particular requirements in the light of which any international currency scheme acceptable to India has to be framed.

Recognition of India's Importance.- After emphasising the importance of having a comprehensive currency plan for the post-war period, and briefly touching upon the differences existing between the British and American plans, Mr. Sarker goes on to point out that India will have to be carefully watchful about such plans, inasmuch as she has certain special claims. He said that in regard to her status and voting rights, India should have a position that will be in consonance with her importance in agriculture, industry and international trade. She should have a seat of her own right on the Governing Body of the Clearing Union or the Executive Committee of the Stabilising Fund. But her most important claims are: (a) the position of the Sterling balance which may be treated as abnormal war balance and (b) future economic development and adoption of a correct fiscal and tariff policy for the purpose.

Sterling Balances for Industrialisation: Special Safeguards.- In regard to the treatment of foreign balances, he pointed out that no definite provisions have been made in the British and American schemes. What India should ask for and insist upon is some provision by which she should be able to utilise her foreign balances for the purchase of plants and machinery required for her industrial development in any country from which she can obtain them on the best possible terms. It will not serve the purpose if she cannot get immediately that proportion of such balances she may require for this purpose. Any scheme which does not provide for this will fail to obtain her approval. Another point emphasised was that a comparatively backward country like India, which intends to embark on planned industrial development, certain special facilities may be necessary. The level of industrial development in India is far behind that obtains in Western countries. At the same time this war has demonstrated the utter weakness of a country whose industrial potential is low for waging war. As India's resources both in men and material for industrial development are ample, the present position must be regarded as absurd and no time should be lost after the war to develop to the utmost her industrial potential. To this end, the importation of plant and machinery and industrial equipment for accelerating the industrialisation of the country as well as for laying the foundation of defence industries, particularly motor, ship-building and armament industries, would be necessary. For the development of such industries, she must be allowed to utilise her foreign balances abroad as well as enjoy certain special facilities in regard to fiscal, tariff and exchange policy as may be found necessary. If the proposed international monetary schemes are framed in such rigid terms that they will not take into consideration the special conditions and problems of backward countries like India, they may not be acceptable to such countries. As, however, it is the declared objective of the leading members of the United Nations to raise the standard of living in backward countries, there should be no objection to treating these countries in a special way so that necessary facilities for their economic development may be assured.

**Mr. C.D. Deshmukh's Statement.-** Similar views in regard to the utilisation of India's sterling balances were expressed by Mr. C.D. Deshmukh, Governor of the Reserve Bank of India, at a general meeting of the Bank's shareholders at Calcutta on 9-8-1943. He declared: ~~xxxxxx~~ It is generally conceded that the balances have so far been used to good purpose, and have assisted in the transition of India from the position of a substantial debtor to a creditor on international account. But the increasing credits are assuming considerable dimensions. A part of them will be used up in repatriating some sterling obligations still outstanding and the transfer of such private investments as is spontaneously occurring in the business world. A substantial accumulation will still remain, however, and should be available for imports that will be needed on a large scale, after the war for the normal expansion of Indian industries, the reconstruction of India's industrial equipment and the economic development of rural areas. He said that the subject of post-war reconstruction deserved a larger place in the thoughts and programmes of the country. Every aspect of her economic life - industry, agriculture, transport, trade and distribution, as well as banking and the finance of each of these large fields of economic activity - besides the important subject of beneficial public works which might be undertaken if a slump should again occur, require forethought and long and careful preparation.

(The Amrita Bazar Patrika dated 11-8-1943 and the Hindu dated 10-8-1943.)

List of the more important publications received in this Office during August 1943

Economic Conditions.-

- (1) Annual Market Review, 1942; Premchand Roychand & Sons Ltd., Bombay, 1943.
- (2) Report on Currency and Finance for the year 1942-43. Reserve Bank of India, Bombay. 1943. Price Rs. 2-8-0 or 4s.6d.

~~Social Insurance~~

~~Report on the Administration of the Workmen's Compensation~~

Organisation, Congresses, etc. -

Federation of Indian Chambers of Commerce and Industry. Proceedings of the Sixteenth Annual Meeting held at Delhi on 27th and 28th March, 1943. Vol. III. 1943. 28, Ferozshah Road, New Delhi.

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NATIONAL LABOUR LEGISLATION

C 6/2/41

Government of India

Labour Bills for November, 1943, session of Central Assembly

The recognition of trade unions in India under certain conditions is provided for in one of the Bills which, it is understood, will be introduced in the November session of the Central Assembly. The Bill, it is believed, proposes the setting up of a Board of Recognition, which in recognising each union will take into consideration its representative character generally and will not recognise a union which, inter alia, prohibits membership for religious or communal reasons.

A Bill providing for holidays with pay is another Labour Department Bill which may be introduced.

(The Bombay Chronicle, dated 20-9-43.).

Bihar

The Draft Bihar Weekly Holidays Rules, 1943.

The Bihar Government has on 15-9-1943 gazetted the draft Bihar Weekly Holidays Rules, 1943, proposed to be adopted in exercise of powers conferred by the Weekly Holidays Act, 1942. The rules prescribe that every employer should exhibit in his establishment a notice specifying the day or days of the week on which the persons employed by him will be given a holiday. The notice should be exhibited at a conspicuous place where it can be clearly seen by the employees and should be maintained in a clean and legible condition. The employer is also required to exhibit in his establishment an abstract of the Weekly Holidays Act and of the Weekly Holidays Rules in English, Hindi and Urdu.

The draft will be taken into consideration on or after 22-10-1943.

(Page 571, Part II, The Bihar Gazette, dated 22-9-1943.) +

British Baluchistan

The Weekly Holidays (Baluchistan) Rules, 1943

The Chief Commissioner, Baluchistan, has on 27-8-1943 gazetted the Weekly Holidays (Baluchistan) Rules, 1943, under which proprietors of restaurants and theatres are required to display conspicuously in their establishments a notice of the holidays granted to their employees under the Weekly Holidays Act, 1942.

The Rules apply to the Quetta Municipality and Cantonment.

(Page 303, Part II-A, the Gazette of India, dated 4-9-1943.).

C.P. and Berar

Exemption from the Hours of Work and Weekly Rest Provisions of the Factories Act, 1934.

In exercise of powers conferred by Sec. 43 (2) of the Factories



At, 1943, the Government of Central Provinces and Berar has on 28-8-1943 gazetted the final rules in regard to the exemption, subject to certain conditions, of some classes of adult workers from the provisions in the Act regarding hours of work and rest. The exempted classes include: those engaged on urgent repairs, 'preparatory and complementary' work, 'intermittant' work, 'continuous' work and workers in engine rooms and boiler houses. Among these affected are workers engaged in specified employments in cotton mills, oil mills, flour mills, power houses, gas works, water-works, cement works and distilleries.

(Pages 302-304 of Part III, C.P. and Berar Gazette, dated 3-9-1943.)

#### Lunawada State

#### Workmen's Compensation Bill passed by Lunawada State Assembly

The Praja Pratimichi Sabha (Legislative Assembly) of the Lunawada State (Gujarat States Agency (Bombay Presidency), Area- 388 square miles, population - 95,000) has passed about the middle of September, 1943, a Workmen's Compensation Bill on the lines of the Indian Workmen's Compensation Act, 1923.

A Factories Bill also was taken into consideration.

(The Times of India, 20-9-1943.)

## CONDITIONS OF WORK

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### Industrial Health and Safety. Lighting in Factories

Work in factories engaged on war production is at present liable to suffer because of defective lighting arising from one or other of two causes. In the first place, many of these factories planned their interior lighting under peacetime conditions and on the assumption that night work would rarely be necessary. Secondly, compliance with blackout or other A.R.P. regulations has often been achieved not merely by preventing the emergence of beams of light from a building, but by actually reducing the lighting of the interior below the standard necessary for efficient work.

The Government of India, therefore, has, on 4-9-43, amended the Defence of India Rules, providing that the Government may by order require of any factory or class of factories to provide lighting arrangements of such standard as may be specified in the order. Contravention of such orders is punishable with imprisonment for a ~~period~~ term which may extend to one year or five or both.

( Page 983, Part I-Sec.I, The Gazette of India  
dated 4-9-43  
Indian Information dated 15-9-43.) +

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General

Grievances of Plantation Labour in Assam and  
Bengal Tea Estates.

The following information about the hardships of plantation labour in the tea estates of Assam and Bengal is taken from a note on the subject published in the Sept., 1943, issue of the 'Trade Union Record':

Conditions of workers in Plantations in Surma Valley.- The employers in Surma Valley estates are providing rice and other daily necessities to the workers at rates which, though low, are proportionately higher than the pre-war rates. In the supply of rations, only the actual working hands are counted; other members of the family are left out. The scale of ration supplied also is insufficient. Wage conditions in the estates remain the same as before the war. Men, women and minors respectively receive Rs. 0-4-0, Rs. 0-3-6 and Rs. 0-2-6 per working day. There has been no war bonus or increment. About 30 percent of the tea estate workers go without full meals and in many cases, starve for two or three days in a week.

Conditions of Workers in Plantations in Chittagong District.- The following are the scales of wages for garden-labour in Chittagong District:-

Hoeing- Annas 8 for 64 nats (1 nat = 8 cubits); Plucking of leaves- 3 pies for 2 lbs; Factory work-boys from 6 years upwards: 1 anna to 2 annas a day; Women 2 annas to 3 annas a day; Mistria 6 annas to 8 annas a day; Chaukidars (Watchmen) and Sardars- 6 annas to 8 annas a day. These rates are continued from pre-war days without any increment. No facilities like sick leave with pay, pension, gratuity, bonus, maternity benefit or periodical increment are allowed. No dearness allowance is granted to meet the increased cost of living. Besides, some deductions are made from the actual earnings. Managers often deduct a "poundage" of 6 to 10 lbs on the day's plucking. A fee is charged for grazing workers cattle in the garden areas. No satisfactory educational and medical facilities are provided. It is pointed out that the Labour Officer deputed by the Central Government found out on inquiry that the employers in the estates were often contravening the following provisions: (1) Factories Act, Sects. 51, 52 and 54, re. child labour. (2) Factories Act Sec. 34, re. working hours. (3) Payment of Wages Act Sec. 7, re. deductions from wages. (4) Maternity Benefit Act Sec. 3 & 4 re. employment during certain prohibited periods and for non-payment of the Benefit. (5) Workmen's Compensation Act.

The Chittagong Cha Bagan Mazdoor Union has recently applied to the Labour Commissioner, Government of Bengal, for adjudication on the following demands:

(1) Cheap grain shops (2) Increment in wages, hoeing Rs. 0-3-0 for 32 nats, plucking of leaves 6 pies for 1 lb. (3) Maternity leave with pay (4) Free grazing (5) Proper medical aid.

As conditions of living have become hard because of low wages, many workers have left the gardens. Undernourishment has given rise to the spread of diseases. Wages too have been in arrears for a few weeks. No arrangements have been made for opening relief stores or free soup kitchens.

There are about 20 gardens in the whole district of Chittagong

with about 10,000 coolies. They were originally recruited by European planters some two to three generations back, but the ownership and the management of the gardens have, in the meanwhile, shifted to Indian financiers, with a few exceptions.

( The Trade Union Record, Sept., 1943.)

### Labour Conditions in Assam Tea Plantations:

#### Decline in Family Income; "Eastern Economist's" comments.

The Eastern Economist, New Delhi, commenting on labour conditions in the Assam tea plantations, which were the subject of a recent inquiry by the Government of India ( we understand no report of the inquiry has been published), makes the following observations:-

Increased Exploitation of Child and Woman Labour.-- The Economist points out that one of the most disquieting developments is the steady increase in recent earnings of children and to a lesser extent of the earnings of women workers. Criticizing this tendency, it says: There is no doubt that the tea estates are seeking to employ cheap woman and child labour at the expense of male adult labour. Unless the men have other alternative occupations of a more lucrative kind, the family earnings are bound to be comparatively low and a considerable decline in the standard of living has perhaps taken place.

Decline in Family Income.-- On this point, the Economist says: " That the total decline of the family earnings has occurred in the Assam tea estates is further indicated by the very marked downward trend in the amount of remittances which the families have made to their homes. The present inquiries go to show that it might be worthwhile to investigate whether this decline in remittances is to be regarded as an indication that the ability to save on the part of the labourers has declined or whether it is capable of some other interpretation. It is possible, no doubt, that remittances may decline if the labour force has permanently settled down in the plantations but, if it be so, there should be other evidences of their savings and their prosperity. In the absence of further data, one is led to believe that this indicates a decline in their saving capacity."

High Death Rate.-- The most serious feature of all is that the death rate in the tea gardens is higher than both the urban and rural death-rates in Assam. No amount of explanation can put a gloss upon this most disquieting symptom of the bad conditions of living of the workers.

( The Eastern Economist, dated, 3-9-43.) +

#### Industrial Labour in Cawnpore in 1942-43.

The following brief survey of the condition in 1942-43 of workers in industrial concerns in Cawnpore and elsewhere affiliated to the Employer's Association of Northern India is based on the 6th Annual Report of the Association ( for the year 1942-43). ( A copy of the report was forwarded to Montreal with our minute F.6/771/43, dated 24-9-43.)

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Number of Workers. - The total labour force employed during 1942-43 by member concerns in Cawnpore was 66,674 as against 61,703 in 1941-42, and the estimated total of labour employed by the mills and factories of Cawnpore was 90,237. The labour force employed by member concerns outside Cawnpore was 11,779 as against 7,974 for the previous year.

Complaints and Cases. - The number of complaints received by the Association during the year was 456 (as against 425 in the previous year), of which 372 were received through the Government Labour Office and 84 by the Association itself, some through Unions and some direct from workers. Altogether, 186 cases came up for hearing before the Labour Commissioner, as against 52 in the previous year. Of these, 131 were decided in favour of the Association, 51 against and 4 resulted in neutral verdicts; as against 26 for, 23 against and 3 neutral in the previous year.

Labour Bureau. - The Association's Labour Bureau registered 22,125 unemployed during the year, and work was provided for 19,034 (that is 86.5 per cent). The corresponding figures for the previous year were 16,227 and 11,747 (that is 72.3 per cent). More than 99 per cent of the workers registered for employment belonged to the United Provinces.

Literacy Among Workers. - Of the 22,125 workers who registered for employment, only 5075, that is 22.9 per cent were literate. Although this compares favourably with the corresponding figure of 22.1 per cent of 1941-42, the report points out that a gradual decline in the percentage of literate workers was observable in the last few years. The percentage was 42.8 in 1938-39, 32.8 in 1939-40, and 25.6 in 1940-41. The continued drop is alleged to be due to the fact that increased numbers of leather workers and unskilled labour (who are mostly illiterate) have been passing through the Bureau.

Strikes. - The number of workers involved in strikes in member concerns in Cawnpore during the year was 18,770, resulting in the loss of 100,291 working days and Rs. 90,029 as wages. The corresponding far figure for member concerns elsewhere were 20 workers, 10 days and Rs. 12. The Cawnpore figures show a decided improvement on the previous year and are the second lowest so far recorded. Of the figure of Rs. 90,029/- lost by way of wages, Rs. 38,000/- was lost in strikes during March 1943, in connection with the demands for bonus and approximately Rs. 27,000/- in connection with ~~the~~ political strikes at the beginning of August, 1942.

Improved Labour Situation: Adequate Welfare Measures. - The improvement in the labour situation was due to three main factors, namely, the continued increase in employment and earnings, the prompt action taken by the Association by way of increased grants of war dear food allowance to meet the rising cost of living and the establishment of cheap mill grain shops. The Cost of Living Index figures continued steadily to rise throughout the year and the question of increasing in the war dear food allowance was taken into consideration by the Association on several occasions. On the 11-8-1942, the Association issued a consolidated notice laying down the scales of allowance payable up to 220 points for the cotton, woolen and leather industries in Cawnpore. The adoption of this consolidated scale made it easier to deal with the rise in the Cost of Living Index figures. By January 1943, however, the figure had risen to 225. Member concerns engaged in industries other than those included in the notice also granted

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suitable increased war dear food allowance on various scales. In conformity with a decision taken during the previous year, bonuses were paid during the year on the results of working for the year 1941. It was not found possible to establish uniformity in the rate of bonuses due to the operation of various conflicting factors in the various industries represented in the Association. All the larger members of the Association paid bonuses to their workers, the scales varying from Rs. ~~0.40~~<sup>0.45</sup> in the rupee to Rs. ~~0.45~~<sup>0.50</sup> in the rupee. A number of smaller members of the Association also followed this policy. About the month of February, 1942, the position of food supply in Cawnpore became extremely acute. The Association therefore arranged immediate ~~xxx~~ supplies of food grains to Cawnpore to meet the situation, and in spite of very great difficulties, the mill grain shops were kept supplied, till the end of the year under review. This entailed an expenditure of about Rs. 2.1 millions. In regard to A.R.P. measures, the Association not only provided shelters for its labour, but installed trailer pumps and other fire fighting equipments. A large number of A.R.P. personnel drawn from the workers and factories ~~xxxx~~ was also trained and the member concerns undertook additional payment to their A.R.P. staff for this work. In addition, the Association, on the advice of the Government of India, employed a Fire Fighting Officer, who had been brought from England to supervise the organisation and training of fire fighting services and personnel. .

National Laboratory for Metal Research to be  
Set up.

The appointment by the Governing Body of the Council of Scientific & Industrial Research, of a committee to examine schemes for setting up Physics, Chemistry and Metallurgical Laboratories was referred to at page 6 of our July, 1943, report.

In pursuance of the scheme, a committee has been formed, with Sir Deshbir Dalal as chairman, to draw up plans for the establishment of a national chemical laboratory at Poona for which the Tata Iron and Steel Company, Jamshedpur, has donated Rs. 3,030,000 and Sardar Baldev Singh Rs. 1,00,000. Preliminary plans drawn up by Sir Shanti Swarup Attnagar will be examined by the Dalal Committee and a suitable site Poona will be selected.

The Governing Body of the Council approved the scheme for the development of a metallurgical laboratory at Tatanagar. As this laboratory will cost about Rs. 3 millions it was decided to mature plans gradually. The laboratory will deal not only with iron, but other non-ferrous metals such as copper and brass, and it will initiate research which will ultimately lead to the establishment of a non-ferrous metal industry in India. A comprehensive report of the development of non-ferrous metals and a plan of research on the subject has been drawn up by an expert committee. The recommendations for the development of a national physical laboratory are approved by the Governing Body and referred to another committee for detailed planning. The Industries Department will decide on the relative order of priority in regard to the metallurgical and the physical laboratories. They will probably be started simultaneously. The proposed physical research will deal with such subjects as radio, shipbuilding and special construction material. It will cost from Rs. 3 million to 5 million.

Among the important researches the Council is financing are the work on fertilizers at Bangalore, biological preparations for medical purposes at Madras and Bangalore, synthetic woollen fibres at Delhi, preparation of vitamin B complexes at Lahore, industrial research on butyl alcohol at Calcutta, and a great deal of liaison work between the RAF and the War Transport Department carried out in the laboratory of the Director of Scientific Industrial Research in Delhi.

(The Statesman dated 9-9-43.) +

Subsidies for Small-Scale Industrialists: Assam  
Government's Scheme

The Government of Assam has decided to grant subsidies to technically trained persons for starting industrial undertakings in the Province. Grants may be sanctioned to : (a) persons with sufficient training in a particular industry or in business or trade connected therewith and (b) those already in business or trade and in need of help for developing and expanding their activities. Grants may also be made for the purchase of tools, implements and appliances or machinery, including the cost of erection thereof and, in special cases to provide working capital. The grant will not ordinarily exceed Rs. 300. If a grant is sanctioned for two or more persons for a joint undertaking, the total sum granted will not exceed what would have been admissible to each

of them separately. No recurring grant will be made, but Government may, in special cases, make grants in two or more successive years to the same person. The amount of the grant may be paid in one sum or by instalments at the discretion of the Director of Industries. The grantee to meet ~~raise~~ one third of the capital invested in the undertaking, from his own resources.

(The Amrita Bazar Patrika, dated 20-9-43.)

### The Mysore Economic Conference Revived.

The Government of Mysore has, in July, 1943, ordered the revival of the Mysore Economic Conference which, with its constituent boards, had been kept in abeyance since 1931. The Economic Conference was brought into existence in 1911 ~~with~~ with a view to associating men of enlightenment within the State, public spirited citizens, prominent agriculturists, merchants and others with the officers of Government in deliberations connected with the economic progress of Mysore. After some years of working, the Economic Conference and its three constituent boards dealing respectively with agriculture, education and industries and commerce, were ordered to be kept in abeyance in the year 1931, as one of the several measures of retrenchment adopted at the time for stabilising the finances of the State.

The absence of a regular machinery for consulting informed non-official public opinion on matters of economic importance was, however, soon felt and a series of conferences had to be held at frequent intervals for this purpose. It was also found necessary to constitute from time to time other boards, such as the board of industries and commerce, the board of sericulture and the board of industrial planning and co-ordination. These bodies are devoting attention to questions relating to the promotion of industries, with special reference to war-time needs. It is felt that the boards of education and agriculture, which were parts of the Economic Conference organization, should also be brought into existence again, in view of the developments which have taken place in recent years and the problems which are arising in regard to education, especially primary education, and agriculture, including work in connection with live-stock. The preparation of post-war programmes of ~~the State~~ reconstruction suited to the requirements of the State is a matter of urgency. These considerations have been mainly responsible for the decision to revive the Economic Conference.

In the new Conference, there will be four separate boards for Agriculture, education, industries and commerce, and sericulture, each board being presided over by the Minister in charge of the department. The boards will consist of the head of the department concerned, the members of the Central Committee representing the interests involved, and such other members as may be selected by the President, not exceeding twelve in all. The boards will meet not less frequently than once a quarter. There will be a Central or Standing Committee consisting of the Dewan (President) and the Ministers (Vice-Presidents) and twelve to eighteen members, including the heads of certain departments, and non-official gentle men nominated by Government as representing particular interests, such as, science, trade and transport, banking, sericulture, agriculture, labour, etc. ~~The~~ The ~~Committee~~ Committee will meet at frequent intervals to co-ordinate and review



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the progress of work undertaken by the several ~~post~~ boards. It will deal with all questions of post-war reconstruction which do not fall within the purview of the boards. The members of the Central Committee and of the four boards will constitute the Economic Conference, with the ~~Swan~~ as President. The meetings of the Conference will be held twice a year.

Mr. P.H. Krishna Rao has been appointed as Secretary of the Economic Conference.

(Mysore Information Bulletin, July, 1943.)

Working Class Cost of Living Index for  
Various Centres in India during February  
1943.

The index number of the cost of living for working classes in various centres of India registered the following changes during February 1943, as compared with the preceding month:-

<u>Name of Centre</u>	<u>Base = 100</u>	<u>January 1943</u>	<u>February 43</u>
Bombay	Year ending June 1934	203	205
Mumbai	Year ending July 1927	173	165
Belapur	Year ending January 1928	147	151
Agar	August 1939	212	234
Adhiana	1931-35	355	339
Mysore	August 1939	225	234
Atna	Average cost of living for five years preceding 1914.	243	
Amshadpur	Ditto	248	255
Baria	Ditto	242	256
Adras	Year ending June 1936	161	163
Adura	Ditto	170	164
Chimbatore	Ditto	178	180

(Monthly Survey of Business Conditions in India  
for February 1943.)

Unemployment among Sea-men in Calcutta:  
Relief Measures Suggested.-

The Indian Quartermasters' Union, Calcutta, has suggested the following measures for the relief of the unemployed seamen in Calcutta: (1) any ship arriving in any port of India having completed a voyage of six months or more should discharge her crew and a fresh set of seamen from among the unemployed should be recruited; (2) in selection, preference should be given to the seamen who are unemployed, for a long period; ~~the~~ (3) the Government of India or the employers should make arrangements to supply four seers (1 seer = 2 lbs) of grain, (atta and rice) per week, which is the ration supplied by the Defence Department, Government of India, to its employees in Calcutta, instead of two seers as at present arranged by the Government of India Bengal; (4) unemployment allowance should be paid to those whose waiting period extends to ten months or more, by their respective employers who are to maintain a register of the seamen employed by them; (5) loans should be advanced to unemployed seamen by employers or the Government up to a certain amount without interest.

(The Trade Union Record, Sept., 1943.)

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC  
SERVANTS.

Better Service Conditions for Bihar Primary  
School Teachers: Government to Levy Education  
Tax.

The Government of Bihar is considering the introduction of fresh legislation for bettering the conditions of service of primary school teachers, with a view to raise the standard of teaching in the Province. The new scheme of education, which envisages a thorough reshuffling of old methods, is to cost about Rs. 12,00,000 and it is likely the Government might levy an Education Tax for meeting the cost, since District Boards and municipalities are not financially efficient to undertake the scheme.

(The Amrit Bazar Patrika, dated 17-9-43.) +

The United Provinces Nurses, Midwives, Assistant  
Midwives, and Health Visitors Registration  
(Amendment) Bill, 1943.

The United Provinces Government has on 18-9-43 Gazetted the draft United Provinces Nurses, Midwives, Assistant Midwives, and Health Visitors Registration (Amendment) Bill, 1943, proposed to be enacted by the Governor.

In the Statement of Objects and Reasons it is pointed out :  
" Nursing problems in the United Provinces were recently considered by a special committee convened by the President of the Trained Nurses' Association of India. The Committee made a number of recommendations, with a view- (a) to improve the status and conditions of service of the nursing profession; (b) to secure for nurses wider representation than they enjoy at present in the Nurses and Midwives Council; and (c) to transfer the powers relating to the training and examination of nurses, which at present vest in the State Medical Faculty, to the Nurses and Midwives Council."

" Under the existing constitution of the United Provinces Nurses and Midwives Council, 7 members out of 19 represent nurses, midwives and health visitors. To achieve the second object of the recommendations, it is therefore proposed to increase the representation of nurses from 7 to 10 in the Nurses and Midwives Council and thus raise the total number of the members of the Council from 19 to 22."

" At present the examinations of nurses, midwives, assistant midwives and health visitors are conducted by the United Provinces State Medical Faculty which does not have any member of the nursing profession on its governing body. In Punjab and Bengal the Nurses Councils already conduct such examinations. To achieve the third object of the recommendations, it is proposed to transfer the function of conducting the examinations from the State Medical Faculty to the United Provinces Nurses Council."

According to the existing provisions of the Act " only such nurses as have passed the United Provinces State Medical Faculty Nurses examinations, or had been working as nurses in the United Provinces before January, 1937, or have been registered in any part of the

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Dominions which allows reciprocity of registration to nurses registered by the United Provinces Nurses Council, are eligible for registration by the Council. This prevents nurses trained in Madras, Punjab, Bombay, the United States of America, etc. from being registered by the United Provinces Nurses Council, and makes the choice of Nursing Superintendents and Sisters in the Province very limited. To provide for the registration of all such nurses who are not eligible for registration, it is proposed to amend the Act suitably."

The draft will be taken up for consideration on after 1-11-43.

(Page 11-12, Part VII, The United Provinces Gazette dated 18-9-43.) +

The Secretary of State's Services (Conduct) Rules, 1942.

The Secretary of State's Civil Service (Conduct) Rules, 1942, made by the Secretary of State for India in 1942 are published for general information in the Gazette of India dated 25-9-43 (Part I, Sect. I- Pages 1052-1055). These rules apply to persons appointed by the Secretary of State in Council or the Secretary of State to a ~~militia~~ civil service of, or a civil post under, the Crown in India, but ~~do not~~ do not apply to any such Government servant when holding the office of Governor of a Province, of Member of the Executive Council of the Governor General, of Auditor General of India, or of Judge of the Federal Court, a High Court, Chief Court or Judicial Commissioner's Court. The rules regulate the conduct of Government servants in civilian employ with regard to: Acceptance of gifts, presentation of ~~trowels~~ ~~etc.~~; Starting of subscription lists; ~~lending and borrowing~~; Buying and selling houses and other valuable property; Holding or acquiring immovable property; Control over immovable property held or acquired by Government servants; Investments; Promotion and Management of Companies; Private trade or employment; Insolvency and habitual indebtedness; Communication of official documents or information; Connection with press; Anonymous publication of documents and anonymous communications to the press; Publication of documents and communications to the press in the name of Government servants and public speeches; Evidence before Committees; Taking part in politics and elections; Vindication of acts and character of Government servants as such; Membership of Service Associations; +

~~(1942)~~ The Government Servants' Conduct Rules, 1935 ~~are~~ (a) are cancelled but the Rules in so far as they are applicable to the Government Servants to whom these rules apply.

(Pages 1052-1055; Part I, Sect. I, Gazette of India, dated 25-9-43.) +

## CO-OPERATION AND COTTAGE INDUSTRIES.

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### Punjab Scheme to Promote Co-operative Shops for Agricultural Products.

The Punjab Government has decided to utilize the Peasants' Welfare Fund to start co-operative shops for the purchase and sale of land ~~products~~ produce at nominal charges, thereby eliminating middleman's profit. In announcing this decision at a public meeting at Peshawar on 30-8-43, Sir Chhotu Ram, Revenue Minister, said that this step had been taken in fulfilment of the pledge given to the electorate at the last general election.

(The Statesman, dated 31-8-43.)

### AGRICULTURE.

#### Relief of <sup>Small</sup> ~~Several~~ Land Holders: Cooperative Effort in the Punjab.

The decision of the Punjab Government to introduce a tentative scheme to disburse Rs.15,000,000 for the benefit of poor zamindars in the province was revealed by Sir Chhotu Ram, Revenue Minister, at a meeting of the Peasants' Welfare Fund Committee held at Lahore on 4-9-43. The scheme seeks to afford relief to small landholders in time of scarcity due to hailstorm, flood and drought, etc., finance ~~and~~ cheap credit, promote cottage industries, co-operative marketing, reclamation of land and improvement of village communications and provide scholarships. The scheme also proposes the opening of thirty co-operative commission shops, six in each revenue division.

(The Hindustan Times, dated 6-9-43).+

## LIVING CONDITIONS.

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### Nutrition:

#### Survey of Dietary Conditions of poorer Parsi Families in Dadar, Bombay City.

The Dadar (Bombay City) branch of the Parsi Trusts Maternity and Child Welfare Clinic has recently published a report of the survey they carried out of the dietetic and hygienic conditions of the poorer Parsi families in Dadar. The board of investigation surveyed the dietary conditions of a fairly large number of Parsi families in the locality and discovered that the food consumed by the poor people of the community was deficient in proteins, carbohydrates and vitamins.

The clinic has therefore undertaken to impart to the people, through lessons and practical training, a better knowledge of the essentials of proper feeding.

(The Bombay Chronicle, dated 7-9-43.) +

### General:

#### Health of Asansol Mine Workers in 1942-43.\*

According to the Annual Administration Report of the Asansol Mines Board of Health for the year 1942-43, the general health of the mining population continued to be satisfactory during the year. There has been a gradual decline in death rate from 26.2 per 1000 in 1938 to 12.6 per 1000 in 1942. The infant mortality rate too showed a steady decline during the 5-year period- from 137.2 per 1000 births in 1938 to 85.0 in 1942. The fall in birth rate during 1941 and 1942 was partly due to the generalised outbreak of malaria in some parts of the settlement. The sickness rate among the colliery employees and their families, compiled from monthly dispensary returns, touched the lowest level in February 1942 being 9.0 per cent, rose to 20.2 per cent in August, 1942 due to an outbreak of malaria, and gradually declined to 9.5 per cent in December, 1942.

### Anti-Leprosy Work.

Survey, treatment, home-visiting and segregation were the principal anti-leprosy measures undertaken. Out of 5362 surveyed cases, 2680 lepers attended the 14 clinics for treatment, 143 became symptom-free, while 69 infectious cases became bacteriologically negative. A follow-up of discharged cases during the last 9 years showed a relapse rate of 10 per cent. 75 cases were admitted for treatment in the Lepers Hospital, while 62 infectious lepers were segregated in the Asansol Lepers Settlement, and other segregation camps.

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\* Annual Administration Report for 1942-43 of Asansol Mines Board of Health—pages 12. (A copy of the report was forwarded to the Montreal Office with this office's Minute D.2/824/43 dated 12-10-43) ).

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Maternity & Infant Welfare Department

A medically qualified Lady Superintendent was appointed for supervision of the 12 Maternity & Infant Welfare Centres which serve 12 collieries, 41 villages and one town with a population of 1,38,000 out of the total population of 5,12,615 in the Mining Settlement. As an experimental measure three Lady Doctors have been appointed as Health Visitors in three Centres. 5 Welfare Centres are provided with maternity wards for admission of difficult cases of labour and also normal cases among miners' families.

The Mining Settlement covers an area of 413 square miles, and has a population (1941 census) of 512,616. There are about 130 working collieries, 430 villages and two municipal towns in the Settlement.

Employers' Organisations6th Annual General Meeting of the Employers' Association of Northern India, Cawnpore, 23-8-1943.

Economic and labour conditions in India in the year 1942-43, were viewed by Sir Padampat Singhania, Chairman, the Employers' Association Northern India, in his presidential address at the 6th annual general meeting of the Association held at Cawnpore on 23-8-1943.

Points of interest to the I.L.O. in the address are briefly noticed below:-

Labour's Co-operation in War Effort.- Dealing with labour's co-operation in war effort, he said: "A tribute has to be paid to labour, not only in Cawnpore, but in the whole of Northern India, which in spite of the August 1942 political agitation and in spite of inflammatory instigations by some labour leaders to "quit machines" did not leave their post of duty and carried on the work of war production. There were grave apprehensions that labour might resort to a general strike and thus attempt to paralyse war production, but, thanks to the good sense which prevailed among them and thanks to the employers' sympathetic attitude, labour did not line up with the saboteurs. Cawnpore was particularly fortunate that, despite its being in normal times a hot-bed of labour troubles, the labour there remained absolutely loyal during abnormal times and never allowed war production to suffer in any way.

Employers' Concern for Labour Welfare.- "The Employers' Association Northern India has rendered a signal service to labour by procuring for them the necessary foodstuff notwithstanding its general shortage and opened food grain shops in member-mills at the cost of about Rs.2.1 million. Employers have given high bonuses and dear food allowances to labour, so that they may be able to keep pace with the increasing rise in prices. The policy so far pursued by the Employers' Association in respect of labour is the only suitable one under the circumstances, and it may be pointed out that, if employers all over the country would follow a benevolent policy, the chances of misunderstandings arising between them and their employees would be largely minimised."

Food Shortage and Remedial Measures.- After criticising the Central and Provincial Governments for their ineffectual tackling of the food situation, he said: "The control of prices in respect of foodstuffs alone would not meet the situation. The crux of the question really is to get food supply from the rural population for the consumption of the urban population, and the military. Whatever food was available for export from villages to cities was only 'distress food', which the villagers sold away to buy their bare requirements. They did not send their reserved surplus to cities for they were not sure that they would be able to buy other commodities such as cloth, kerosene oil, steel, cement, gold and silver on account of their inaccessibility and prices having gone up abnormally high. It was therefore necessary in order to maintain a continuous flow in large quantities of the foodstuffs from villages to cities that the prices of those commodities, which villagers would like to have in exchange for their cereals, should be brought to a reasonable level and made easily available to them. The Government of India, in their misguided zeal and in utter ignorance of the economic conditions prevailing in the country, began taking over all commodities for military requirements, so much so that not even



sufficient margin was left for rural consumption. They imposed many controls, one after the other, in such slipshod and unplanned manner, that the whole rural economy was upset and the villagers completely forgot the needs of their urban brethren." As constructive measures, he suggested more vigorous prosecution of the "Grow More Food" campaign, import of foodstuffs from the United States, Canada and Australia, distribution in deficit provinces of a certain percentage of the surplus stock of wheat and rice reserved for military requirements and the adoption of a uniform food policy throughout India.

Standard Cloth: Delays in Distribution.- "It was the great desire of the textile manufacturers that standard cloth should be manufactured, and brought into the market long before scarcity of cloth was felt by the people, but due to red-tapism and slow movement of government machinery the scheme could not materialise. After a good deal of representations, orders were issued for the manufacture of standard cloth, but even when a fairly large quantity had been prepared, the distribution of standard cloth was delayed by several months. Of late, however, appreciable quantities of standard cloth are gradually being brought in to the market. The textile industrialists in response to the confidence reposed in them, have fully co-operated with the Government in not only bringing down the prices of the cloth, but also manufacturing it in large quantities.

Coal Shortage and Stoppage of Work.- "About a month back, Cawnpore mills experienced acute coal scarcity and some of them were threatened with stoppage of work. But the strenuous efforts made by the Association and some of the employers individually saved the situation for the time being. Yet Cawnpore mills are not completely out of the trouble. There is no security that coal supplies would go on regularly for uninterrupted production of materials required for military purposes and civilian consumption. The Transport Member of the Government of India has to regulate wagon movement in such a way as to ensure continuous supply of coal to mills."

Inflation.- Dealing with the pronounced inflationary tendencies perceptible in the country, he said: "No blame can be apportioned to any body except the Government of India for inflation of currency. Those at the helm of financial administration alone have powers to expand currency. It is they who have introduced more and more paper currency in order to cope with the purchases made under peculiar conditions by the Government of India and His Majesty's Government for their own purposes and for purposes of the Allied Governments also. Unless gold and silver, which have a psychological bearing on the masses, are made available at normal prices, it is difficult to conceive a situation in which the paper currency can be brought under proper control and inflation checked."

Post-War Reconstruction: More Publicity and Association of Industrialists urged.- "Due to the efforts of Sir Ramaswami Mudaliar, a former Commerce Member, a number of Committees, including a consultative Committee of Economists, were constituted for post-war planning, but the transfer of Sir Ramaswami to London damped the vigour of the Committees and they practically ceased functioning. Another attempt has now been recently made by setting up a Post-war Reconstruction Sub-Committee, exclusively composed of Members of the Executive Council and having for its president, the Viceroy, and now Department for the purpose has been created. So far the Sub-committee seems to have addressed itself to the task of collecting statistics but, although more than two years have elapsed since Sir Ramaswami sponsored the scheme, nothing substantial has come before

the public gaze. This lends colour to the criticism that Indian post-war planning is not directed to construction or reconstruction, but that it is designed for exploitation on a larger scale. Planning for the post-war period has necessarily to be predominantly industrial so far as India is concerned and it is highly desirable that Indian industrialists should be associated with the task from its commencement. India has to prepare itself for taking its right place in the post-war economy of the world, and should equip itself with the necessary facts and figures to be able to effectively participate in the series of international conferences, begun with the Food and Agriculture Conference. A number of conferences are to follow - textiles, civil aviation, etc., Then there are the plans for an international clearing union, a stabilisation fund and similar questions of post-war currency, exchange and trade arrangements formulated by the ~~major~~ British and the United States Governments. Still more important is the question of utilisation of sterling balances in England, decision on which should be definitely taken immediately, for that will substantially contribute to promote capital industries after the war. It is ~~rumoured~~ rumoured that the Government of India is anxious to give preference in post-war planning to problems arising out of demobilisation and the switching over of war industries to civil requirements. If that is so, the very object of post-war reconstruction would be defeated. The Government of India should go full speed with post-war planning in all its comprehensive implications and associate non-official elements more and more with such planning.<sup>x</sup>

(Summarised from printed text of Sir Padampat Singhania's presidential speech at the 6th annual General Meeting of the Employers' Association of Northern India forwarded to this Office by the Association.)

(A copy of the speech was forwarded to Montreal with this Office's minute F.6/771/43 dated 24-9-1943.)

All-India Trade Union Workers' Study Camp, Delhi,  
8 to 17-9-1943

The All-India Trade Union Workers' Study Camp, organised by the Indian Federation of Labour (referred to at page 28 of our August, 1943, report) was held at Delhi <sup>from</sup> 8 to 17-9-1943. Prominent labour leaders and trade union workers addressed the Camp.

Dr. B.R. Ambedkar, Labour Member, Government of India, who addressed the Camp on the concluding day, welcomed the holding of such Camps as the most effective way for rousing labour's political consciousness. He deplored the absence of interest in the government of human affairs displayed by Indian workers, and said that he did not consider the trade union movement a panacea for the ills of the working class. He emphasised the necessity for the setting up of a political party of the Indian working class.

(The Vanguard, 19-9-1943.).

Madras Government Measures for the Amelioration of Conditions  
of Life of Backward Classes in 1942-43\*

The measures adopted by the Labour Department, Government of Madras, 1942-43 for the amelioration of the conditions of life and work of the backward classes in the province (designated 'eligible communities') included free gift of house sites, reservation and assignment of land, provision of special educational facilities, and construction and repair of wells, sanitary works, etc.

During the year under review, an extent of 71.8 acres of Government land was assigned free of cost for the provision of 488 house sites as against 1964 in 1941-42.

The educational work proceeded on the usual lines. There were 11 schools at the close of the year under review, out of which 1099 were day schools, one a night school and one a combined day and night school. 54,536 children (36,002 boys and 18,534 girls) received instruction in these schools. They employed 1756 teachers, of whom 1755 were men. The total expenditure during the year on "Education" amounted to Rs. 1,079,918 as against Rs. 910,209 during the previous year. During the year the scheme of supplying free midday meals to children working in labour schools was further extended to labour schools in those areas where the eligible communities were poorest and where a sincere effort was made to take advantage of the education provided by the Government. Attendance in these schools has increased appreciably. The appearance and height of the pupils has also generally improved. In view of the rise in the prices of foodstuffs, the Government ordered that the rate of cost of midday meals be enhanced from one anna to one and three pies per pupil per meal. The Government also directed that in cases where the rate of boarding grant was Rs. 5 and less it should be enhanced to Rs. 6-8-0 per pupil per mensem and that in other cases the rate should be increased by Rs. 1-8-0. Orders have recently been issued enhancing the rate of boarding grants to Rs. 10 per pupil per mensem.

The total expenditure incurred during the year on the construction and repair of wells was Rs. 142,410-10-6 as against Rs. 136,889-12-4 during 1941-42. Sanitary works in the cities in the city of Madras, such as the formation of roads and the provision of drains, water taps and latrines were carried out during the year at a cost of Rs. 19,055..

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Administration Report of the Labour Department, Government of Madras, on the work done for the amelioration of the "Eligible Communities" for the year ending 31st March, 1943. (A typewritten copy of the report was forwarded to this Office by the Government of Madras.)

India's Falling Milk Consumption: 12 per cent  
Drop in Recent Years.

According to the Report on the Marketing of Milk in India and Burma (second edition) published by the Agricultural Marketing Adviser, Government of India, the consumption of milk per head in India has dropped by about 12 per cent in recent years. The original report, basing its figures on the 1931 census and the cattle census of 1935, put the average daily consumption of milk at 6.8 oz. per head of the population of India. In the second edition, statistics have been revised on the basis of the 1941 census and the cattle enumeration of the previous year and these data give an average daily consumption per head of 5.8 oz. The number of cows in India went up by 7.8 per cent between 1935 and 1940 and that of she-buffaloes by 5.5 per cent, but in areas noted for milch cattle there were famines while the cattle population shot up in places where the animals are generally poor, so that the net increase in milk production has been small while there has been a big increase in the human population.

The low consumption of milk might result in serious deterioration of health, especially among the poorer classes who consume well below 5.8 oz. a day, while many have to go without milk or milk products altogether. While the Indian consumer has a much lower average income than the English consumer, under normal conditions milk prices in the two countries are roughly the same. The report shows how better organisation of the trade, proper transport and sanitary methods of handling and distribution can help towards a better state of affairs. It also points out how profitable the reorganisation of urban milk marketing on modern lines can be.

( The Hindu, dated 13-9-43. ) .

Educational Progress in the Bombay Presidency.  
During 1937-1942.

During the five-year period 1937-1942, the Bombay Government increased its expenditure on education by more than Rs. 10 millions. The Director of Public Instruction, Government of Bombay, surveying educational progress in his report for the quinquennium, says that steady progress was maintained in spite of war conditions.

Statistics of Schools and Pupils.— There was an increase of more than half a million in the number of scholars and an increase of more than 1,000 in the number of educational institutions. At the end of the period, more than eight per cent. of the population of the Province was receiving instruction in some form. The total number of educational institutions increased to 22,751 (22,388 recognised) against 14,609 five years earlier. The recognised institutions comprised 21 Arts and Science Colleges, 16 professional colleges, 869 secondary schools, 19,981 primary schools and 1,501 special schools. The increase was largest among primary and special schools, due to the opening of a number of voluntary primary schools and literacy classes for adults. The total number of pupils attending all educational institutions increased by 19,392 (38.9 per cent.) to 1,855,281— 1,364,944 boys and 490,337 girls. The percentage of male scholars to total male population increased from 10.86 to 12.62. The corresponding increase for female scholars was from 3.79 to 4.89. On 31-3-1942, there were only 39 large villages without schools, as against 234, five years previously. Of the 81,567 towns and villages, 15,976 had schools, against 8,975 in 1937.

Expenditure.— The total expenditure on public instruction increased by about Rs. 11.1 millions to about Rs. 48.7 millions. The proportion of this total met from Government funds in 1941-42 was Rs. 20,613,082 (42.3 per cent.), from Board funds, Rs. 7,819,885 (16.1 per cent.), from fees, Rs. 14,564,929 (29.9 per cent.) and from other sources, Rs. 5,707,702 (11.7 per cent.). Expenditure on primary education increased by about Rs. 4.2 millions to over Rs. 21.9 millions, of which about Rs. 21.9 millions were paid from Government funds. The number of pupils increased by about 425,000— the increase being mainly due to the opening of small village schools in the last few years. The Bombay Government is spending, apart from grants to local authorities for primary education, more than Rs. 900,000 in giving direct aid to "voluntary" schools—schools opened by voluntary agencies in villages with a population less than 700. About 5,600 such schools have been opened.

New Measures.— An important stage in the development of primary education was the amendment, in 1938, of the Primary Education Act, by which the Government took over the inspecting staff from local authorities and vested the Administrative Officer with clearly defined powers in regard to the appointment and transfer of teachers— a step designed to create a feeling of confidence and stability among teachers. The main weakness in the primary education system, says the report, had always been that the primary courses were insufficiently adaptable to rural requirements. The general curriculum was revised and made more elastic and more practical. The teacher has been given as wide a choice of topics as possible, to enable him to correlate his teaching with activities associated with the countryside, and to create an interest in rural life through an intelligent study of the environment. A special simplified course was also drawn up for the small one-teacher

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village schools. About 80 primary schools have been following a modified agricultural-bias course for some years. The main idea underlying this course is to give the village-child ideas of better farming, better sanitation and better and brighter living. A distinct type of school for the rural needs of the Province has been tried and promises to develop on right lines if carefully nursed. A new type of school- the Basic school was also tried, with spinning as the basic ~~work~~. Some 60 schools were converted into Basic Schools and special training centres opened for the training of teachers. The main difficulty experienced with this scheme was that spinning by itself was not found a satisfactory and satisfying craft in all schools, particularly in areas where no cotton is grown. A striking feature of the progress made was the opening of adult education classes all over the Province. From 1938, special funds were sanctioned for the opening of adult literacy classes in urban and rural areas. Lectures and talks on matters connected with health and welfare were also organised and a general scheme of village libraries was sanctioned. These efforts yielded small but favourable results.

Physical Education.- In the sphere of physical education, the most important development was the establishment of a separate Institute of Physical Education for the training of teachers. Physical education is now an integral part of the general education system, and medical examination is being gradually introduced. Nearly 70 per cent. of secondary schools have already introduced medical examination. It has not been possible to introduce it on a large scale in rural areas, mainly owing to the lack of medical facilities.

(Press Note dated 30-8-43, issued by the Director of Information, Bombay.)

Wages

Ahmedabad Millowners' Association's Petition for Reduction of Dearness Allowance: Rejected by Industrial Court.

The petition filed by the Ahmedabad Millowners' Association for substantial reduction in the quantum of dearness allowance sanctioned to the employees in the textile mills at Ahmedabad under the award dated 26th April 1940 and Supplementary award dated 15th September 1941 was rejected by the Industrial Court, Bombay, on 16-9-1943.

The Millowners' Association contended that the conditions of the industry had changed for the worse to such an extent that revision of the dearness allowance was called for. They held that three factors had operated in the direction of worsening the condition of the industry. They alleged that 10.89 per cent. of the weaving looms were utilised exclusively for the purpose of preparing cloth for the defence services; that 45.11 per cent. of the looms were utilised exclusively for the purpose of preparing standard cloth and that only 44 per cent. of the looms could prepare cloth for the purpose of satisfying the general requirements of the public. It was further contended that the margin of profit on the cloth prepared for the defence services and the standard cloth was strictly limited and that, even in respect of cloth prepared for the general public, the margin of profit was considerably reduced as the result of the ceiling prices fixed under the Cotton Cloth and Yarn (Control) Order, 1943. They pointed out that the cost of living had risen to such an extent as could not possibly be within the contemplation of the parties when the original scale of dearness allowance was fixed, and even when the scale was increased by 45 per cent. in September 1941.

The Textile Labour Association, Ahmedabad, opposing the petition contended that although it might be true that the margin of profit had been reduced by a percentage of the looms being reserved for cloth for the defence services and for standard cloth, and also as a result of ceiling prices being fixed for the cloth manufactured by the remaining looms, still the condition of the industry at present, even making allowance for those factors, was not such as to justify any reduction being made in the scale of dearness allowance.

Bombay Government favours Reduction. - The Advocate-General, Bombay, contended that, although the Government of Bombay were not directly concerned in the result of the dispute, they were indirectly concerned in the ~~ramifications~~ repercussions that might follow if the scale of dearness allowance was not substantially reduced. His contention was that at other centres of the industry, such as Bombay and Sholapur, the dearness allowance paid to the workers neutralised the cost of living only to the extent of 75 to 80 per cent. and that, therefore, the present scale of dearness allowance by which the rise in the cost of living in Ahmedabad was neutralised to the extent of 96 per cent. was not justified.

Court decides against Reduction. - The Court held that the problem of wages and inflation was essentially an All-India problem and the submission made by the Advocate-General would appear to be a startling attempt to tackle a countrywide problem merely by effecting a cut in the dearness allowance of only one section of workers in one industry and at only one centre of that industry. Unless the policy of reducing wages



is accompanied by steps taken to stabilise the price level of all the commodities which contributed towards the cost of living of the workers, it would be a lopsided attempt to try to reduce inflation by attempting to reduce the dearness allowance paid to one set of workers in one centre. In terms of the average wage, all that the grant of dearness allowance had done so far was to neutralise the rise in the cost of living to the extent of 96 per cent. Therefore, the real wages of the workers were, in fact, something less than what they were getting when the war had started. The Court thought it extremely difficult to assess accurately the exact effect of the three adverse factors reported by the Millowners' Association on the condition of the industry until the balance sheets of the mills were available some time in the first half of 1944. Undoubtedly, as a result of the adverse factors the margin of profit had narrowed since June-July, 1943, but, in spite of that, it did not appear that the present condition of the industry would in any way be worse than in 1941, when the mills agreed to give the 45 per cent. increase in the scale of dearness allowance. This conclusion itself, the Court thought, was sufficient to reject the claim of the Ahmedabad Millowners' Association for any reduction in the scale of dearness allowance which existed at present.

(Summarised from the text of the judgment given on pp. 2183-2188, Part I, The Bombay Government Gazette, dated 23-9-1943 and The Times of India dated 27-9-1943.)

### Employment

#### The Military Nursing Services (India) Ordinance, 1943

The Government of India has on 15-9-1943 promulgated the Military Nursing Services (India) Ordinance, 1943 (Ordinance No. 30 of 1943) providing for the creation and maintenance, as part of the armed forces of the Crown and for services with the military forces, of an auxiliary force to be designated the Military Nursing Services (India). The services will comprise two corps, namely, the Indian Military Nursing Service ~~which is for service only with the forces and persons subject to the Indian Army Act, 1911.~~ <sup>which is for service only with the forces and persons subject to the Indian Army Act, 1911.</sup> Regulations regarding details connected with the pay, allowances, training, discipline, etc., of the corps will be laid down by the Commander-in-Chief. All members of the Military Nursing Services (India) shall be of commissioned rank and shall be appointed as officers of the Military Nursing Services (India). Any British subject or any subject of an Indian State, if a woman and above the age of 21, shall be eligible for appointment as an officer in the Military Nursing Services (India).

(pp. 603-604, The Gazette of India Extraordinary dated 15-9-1943.)

#### The Punjab Government Services (War) Amendment Rules, 1943

The Punjab Government has on 18-9-1943 gazetted the Punjab Government Services (War) Amendment Rules, 1943. The Rules prescribe that for such period as may be specified by the Government, no direct recruitment, on a substantive basis, may be made to any service of the Punjab Government except with the sanction of the Government. Recruitment to vacancies by promotion, confirmation of candidates accepted for permanent employment before the 1st April, 1940, and actually taken into

service before the issue of the Rules with a view to permanent employment in due course, or transfer from another Government Department, wherever such recruitment is authorised by the existing rules, will continue as usual. With regard to all other vacancies, whether unfilled or filled on a temporary basis, they will be thrown open, after the war, to recruitment from among persons with war service to their credit. In computing the age of such candidates, the years spent in war service will not be counted. Attempts will also be made to fix them up in places which they may normally be expected to have attained but for the war.

(Pp. 577-578, Part I, the Punjab Gazette, dated 24-9-1943.)

### Control Measures

#### The Sisal and Aloe Fibre Products Control Order, 1943

The Government of India has under the Defence of India Rules issued 10-9-1943 the Sisal and Aloe Fibre Products Control Order, 1943, for controlling the manufacture and sale of ropes, cordages, twines and other goods made of sisal or aloe.

(P. 601, The Gazette of India, Extraordinary dated 15-9-1943.)

#### The Factories (Control of Dismantling) Ordinance, 1943.

The Government of India has on 15-9-1943 promulgated the Factories (Control of Dismantling) Ordinance, 1943 (Ordinance No. 31 of 1943) under which no person in British India is to dismantle any factory or remove from it any spare parts essential for maintaining the machinery in order, except with the written permission of the Central Government.

(P. 605, The Gazette of India Extraordinary dated 15-9-1943.)

#### Bihar Order Prohibiting Removal of Sugar Factories from the Province.

The Bihar Government has under the Defence of India Rules issued 8-9-1943 an Order under which no plant or factory situated within the province of Bihar and producing sugar by means of vacuum pans may, without the previous permission of the Provincial Government, be removed from its existing site with a view to its being re-erected and worked on site outside the province. Contravention of the order is punishable under the Defence of India Rules with imprisonment for a term which may extend to three years, or with fine, or with both.

(P. 565, Part II, The Bihar Gazette dated 15-9-1943.)

Navigation:

The Fire Watchers and Welding (Merchant Ships)  
Order, 1943.

The Government of India has on 18-9-43 issued, under the Defence of India Rules, the Fire Watchers and Welding (Merchant Ships) Order, 1943, which requires that wherever welding or a gas-cutting operation of any description is being carried out in a ship, not being a ship of war, any port in British India, a fire watcher should be on duty at each part of the ship where such operation is in progress and, if the operation concerns two or more compartments of the ship, a fire watcher could be maintained in each compartment concerned, and remain on duty for the duration of such operation. Fire watchers placed on duty under the Order will be provided with suitable means for extinguishing fires as approved by the Security Measures Committee or any other authority responsible for the security measures at the port concerned. No welding or gas cutting operation is to be carried out in a ship except with the consent of the master.

(Page 1023, Part I-Sec. I, The Gazette of India, dated 18-9-43.) +

Indian Merchant Shipping (Additional  
Life saving Appliances) Rules 1941 and  
1942 cancelled.

The Government of India has on 18-9-43 issued under the Indian Merchant Shipping Act, 1923, a notification to the effect that the Indian Merchant Shipping (Additional Life Saving Appliances) Rules, 1941, and the Indian Merchants Shipping (Additional Life Saving Appliances) Rules, 1942, (vide Page 36 of our September, 1941 report and Page 13 of our October, 1942 report) are cancelled.

(Page 1023, Part I-Sec. I, The Gazette of India, dated 18-9-43.) +

Bombay Government's Concessions to Food and  
Fodder Crops Cultivators.

Concessions in regard to agricultural loans and subsidies, canal irrigation, cultivation of Government waste lands, seed supply and allied subjects have been made by the Government of Bombay to encourage extension of the area under food and fodder crops and to induce cultivators to grow food and fodder instead of short and fair stapled cotton. It is anticipated that cultivators will reap considerable benefit if they take advantage of these concessions, which are available during the year 1943-44. The more important of these concessions are indicated below:

Irrigation.-- During the rainy season canal irrigation water will be given to the cultivators at a nominal rate of Re.1 per ~~unit~~ acre, for food and fodder crops. For rabi food crops, both in block and non-block areas (in the Deccan), water will be given at a concession rate of Rs. 3 per acre. A large part of the available water supply is conserved for the cultivation of food and fodder crops. Early sowing of rabi crops in the late monsoon months--after August 15--is to be encouraged and such crops will be charged only a nominal water rate. In addition to these, liberal remittances in water assessments will be granted to cultivators in cases where they grow food crops on the lands under irrigation.

Seed Supply.-- With a view to bringing the maximum possible area under food and fodder crops and to ensuring the maximum out-turn per acre, the Government has allotted Rs.1 million for the purchase of improved seed of any kind of good seed for sowing purposes. This is to be given to the cultivators at a concession rate not exceeding one-third of the cost price.

Loans.-- Agricultural loans free of interest, for the purchase of seed and for cultivation purposes will be given in respect of food grain crops. Other grants include advances for digging wells and for improving lands, special subsidies and interest free loans to lessees cultivating waste lands.

Transport and Other Facilities.-- Priority is to be given for transport to food crops alone. The Government will render all possible assistance in securing transport for oil-cake and other manures. Waste lands will be given on three-year rent-free leases. Railway lands may also be rented out at normal rates.

Government has repeated the assurance which was given in 1942 that it does not consider any likelihood of serious fall in prices resulting from the "Grow More Food" campaign. If during the war and for one year thereafter the prices of food grains tend, as a result of the food production drive, to fall below a level which would not give a reasonable return to the cultivators, the Government will be prepared to intervene and buy at "fair" prices all the food grain offered to it in the open market.

(Unofficial Note, dated 20-9-43, Issued by the Director  
of Information, Bombay). +

Government of India's Financial Aid to  
Agriculturists.

~~In reply to questions in the Central Legislative Assembly on~~

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In his reply to questions in the Central Legislative Assembly on 28-43, regarding the expenses incurred by the Government of India in connection with the "Grow More Food" drive, Mr. J.D. Tyson, Secretary, *Sept 43* Government of India, revealed that in the financial year 1942-43 Government of India sanctioned a total grant of Rs. 1.88 millions from the Cotton Fund to certain provinces and States to assist the cotton growers in diverting lands from short-staple cotton to food grains. These grants were made on condition that the benefit under them goes to the actual cultivator. About 5,339,000 acres were diverted from cotton to food crops in 1942. No grant has been sanctioned by the Government of India from this source for anybody other than agriculturists. In the current financial year (1943-44) grants and loans (till August, 1943) sanctioned are: Rs. 4.77 millions in grants and Rs. 9.89 millions in loans to enable the provinces to finance measures calculated to contribute materially to increase food production in the near future and Rs. 1.49 millions in grants from the Cotton Fund to enable the provinces and States to assist cotton growers in diverting lands from short-staple cotton to food grains during the current season.

(Official Report of the Legislative Assembly  
Debates, Volume-III, No. 97 *Page 415*).

#### Statistics of Destitutes in Calcutta..

A sample survey of destitutes in Calcutta in the present food situation has been carried out by the Department of Anthropology of the Calcutta University. The conclusions given in a preliminary report published in the third week of September, 1943, are based on studies of 804 families. The report states referring to these families: "How far the present distress has affected the economic basis of, and socio-psychological relations within, the family may be gauged from the fact that no less than 24.4 per cent of the families have disintegrated. Our investigation clearly shows that the agricultural labourers are the worst sufferers in the present condition. Their proportion is 47.7 per cent. Next to them are the cultivators of the soil (owner-cultivators and tenant cultivators) who form 25.0 per cent. Thus farm labourers and cultivators together account for 72.7 per cent. Petty traders number 7 per cent, ~~xx~~ ~~xxxxxxxx~~ beggars 6.6 per cent, fishermen 2.4 per cent and others 10.7 per cent. The exodus of farm labourers from their place of work may adversely affect the prospects of the next crop. Moreover, it shows where the rot lies in our socio-economic system."

(The Hindu, dated 26-9-43).

#### Proposals for dealing with Food Crisis:

##### Gregory Committee's recommendations..

A number of measures for effectively ~~mini~~ dealing with various aspects of the food problem in India, such as need for stimulation of imports from outside, rationing, regulation of retail trade, price control, etc., are suggested in the report of the Food Grains Policy Committee presided over by Sir Theodore Gregory (vide page 43 of our August 1943 report) recently submitted to the Government of India published in the third week of September 1943. The more important of the recommendations are noticed below:

Imports. While strongly pressing the case for imports, the report makes it clear that the general shortage of shipping and the stringency in other belligerent countries is fully recognized. Two

counterconsiderations are, however, urged. The first is that Indian nutritional standards are, in general, deplorably low. The second is that the area nearest the scene of a possible large-scale offensive (Bengal) is also, at the present time, the scene of the greatest distress in the matter of food supply. The report points out the complicated nature of the Bengal problem, and urges upon the Bengal Government the necessity of tightening up its procurement machinery as the first condition of recovery.

Acquisition of Supplies.— The report rejects altogether the two alternatives which might be invoked to solve the problem of acquisition of supplies. First, unlimited free trading in foodgrains. The report takes the view that even if free trade were allowed to work itself out without interference it would result in a drastic rise in the level of prices in some areas and might not, owing to purchases for hoarding or investment purposes, lower them elsewhere. In any case, rising prices do not always result in additional supplies being released, owing to the tendency of holders, when a rise of prices is being experienced, to expect still higher prices in the future. The other principle which is rejected is that of a Central Government food-grains monopoly. This principle is rejected, not on the ground that it is inherently unworkable—on the contrary, it is pointed out to be the only, perfectly logical solution of the difficulties—but on the ground that India finds herself in the middle of a crisis, and the creation of the vast organization which would be involved would take time, and time is not available.

In the Committee's view, procurement involves getting the maximum quantity of foodgrains from the cultivator in every part of the country. It is not merely, or even mainly, getting supplies from surplus to deficit provinces, because only few provinces have a surplus of all foodgrains; the majority have surplus of some grains and not enough of others—the truly all-round deficit areas being limited in number. As to the means of securing the maximum stock of foodgrains, there are two alternatives: firstly, compulsory acquisition at a fixed price, i.e. requisitioning, and, secondly, increasing the inducement to the cultivator to sell. The report takes the view that it would be premature to resort to requisitioning in India generally (which would involve official procurement machinery every where) though in seriously deficit areas, it may be the only way out. Rising prices of foodgrains as such do not necessarily evoke an increased supply, so long as the higher money prices received by the cultivator can not be translated into an effective supply of goods which the cultivator requires. The problem of procurement is thus intimately linked up with the problem of increasing the supply of the goods which the cultivator needs. Every effort must, therefore, be made to increase the supply of such goods, and the problem should rank next to the problem of munitions supply. Though it would be preferable to supply the cultivator with goods which he needs, whether as producer or consumer, yet if the supply of these can not be increased adequately, it would be advisable for Government to secure supplies of the precious metals for sale to the cultivator.

#### Main Recommendations

The main recommendations briefly put are: for the duration of the war India must cease to be a net exporting country and must become a net importing country; a general foodgrains reserve should be created; in order to secure foodgrains from the cultivator, effort must be made to increase the supply of goods he needs and the problem should rank next to the problem of munitions supply, but failing such increase, it would be advisable for the Government to secure supplies of the precious metals for sale to the cultivator; and rationing should be introduced in urban areas on the principle of a daily

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minimum ration of one lb cereals per adult, in view of the fact that unlike England and America, there is no great chance of the mass of the urban population being able to supplement the ration by intake of other foodstuffs on any significant scale. A majority of the Committee favour statutory price control of all the major foodgrains in all Provinces and States.

**Rationing.**— The report recommends the introduction forthwith of rationing of food-grains in cities with a population of 100,000 or more. It also urges the necessity for appointing, within the Food Department itself, an officer, entrusted with the charge of providing Railway facilities, and the co-ordination and utmost possible expansion of alternative means of transport for the movement of food.

~~The report calls for drastic enforcement of the rationing regulations~~  
As regards rationing, the report starts from the principle that the minimum ration should not normally be allowed to fall below one lb of cereals per adult per day, in view of the fact that, unlike as in England and America, there is not great chance in India of the mass of the urban population being able to supplement the ration by intake of other food stuffs on any significant scale. The report emphasizes that even in these abnormal days, food conditions in these countries can not be compared with conditions in India, since there is very little room here for tightening the belt so far as the mass of the population is concerned. The report, however, stresses the need for austerity standards in the better off classes of society. If the minimum standard of one lb per adult per day can not be guaranteed out of home supplies, imports ~~must be arranged for.~~ The report calls for drastic enforcement of the rationing regulations especially in the early stages, when attempts at sabotage and evasion are likely to be most frequent. It is also recognized that enforcement is made very difficult unless there is willing co-operation on the part of the public. It is considered essential, therefore, that Provinces and States should set up advisory bureaus to which the public can turn for detailed guidance and advice, and that the rationing authorities should seek the positive assistance of public-spirited citizens by setting up non-official advisory committees. The assistance of ladies of all communities is particularly called for.

**Retail Trade.**— In order to avoid inconvenient delays, supply of grain has to be carried on through retail traders. Any attempt at ~~sabotage~~ sabotage must be put down with a stern hand by withdrawal of the retailers' licence and ~~in~~ black-listing. Distribution of food grains through employers' associations and consumers' co-operative societies should not be discouraged. The latter form of distribution should be positively encouraged, subject to the principle that everyone should be treated alike in all essential respects, ~~the latter especially should be encouraged.~~

Apart from the rationing of food grains, the report recognizes that there are a variety of other problems which require to be dealt with. The Food Department is desired to consult the expert nutritional authorities on the implications of the policies it is proposed to implement. In view of the food crisis, the Department is asked to investigate the possibility of individual rationing of sugar and milk.

The report recognizes that general rationing is impossible, but it points out that in famine or semi-famine areas distribution can not be left to the normal channels of trade and Government action is absolutely imperative.

**Price Control.**- The committee urges that statutory price control of all the major food grains should be instituted in all provinces and States. Such control, to be effective, has to be accompanied by an efficient procurement machinery, an effective control over transport, and a drastic enforcement of the declaration of stocks. Steps should also be taken for building up ample reserves in the Centre, Provinces and States. The report examined the case for Central control over statutory prices and recommends that it should have the right to suggest changes of prices. Disputes between the provinces and the Centre as to price changes should be referred to a Standing Committee, representative of the Centre, Provinces and States, the producers and the trade. In considering the appropriate level of regional prices, the cultivator's cost should be taken into account. Whilst not opposing the policy of selling food grains at reduced or preferential prices to certain sections of the population, the report insists that such a policy can never solve the general problem of food supply and should never be regarded as an effective substitute for an integrated food grains policy.

**Other Measures.**- As regards the increase in the supply of domestically-grown food stuffs, the report makes a large variety of suggestions ranging from the large scale distribution of improved seed to the strengthening of provincial and State Departments of Agriculture. The suggestion is made that the under-polishing of rice, which is now practised in Madras, should be extended to all other rice provinces.

**Administrative Machinery.**- On the administrative aspects of the problem, the report refers to the future organisation of the Food Department and suggests the creation in its place of a Food Board to secure continuous and conscious co-ordination of effort in all directions. The report also suggests the establishment of an expert panel of six representatives drawn from the trade. The need for a food administration manual for the guidance of all concerned is stressed, and on the question of the relations between the provinces and the Centre, the report declares that since public opinion will not tolerate a "hands-off" attitude by the Centre, the Centre can not accept any situation which would involve its having to carry great responsibilities without having adequate power. The report requires the Centre to have the last word as regards price changes, allocations of supplies, the management of the central food grains reserve, any conditions to be laid down for rescue or special assistance operations and details of administration.

**Supplementary Minute by Sir P. Thakurdas.**- Sir Purshotamdas Thakurdas, a member of the Committee, in the course of a supplementary note, directs attention to the following points:

**Poorer Classes not benefited by Existing controls.**- A dispassionate review of the results of Government efforts to control food grains shows that the class of people which have benefited the least are the poorest section of the people for whom these controls were ostensibly instituted. The greatest beneficiaries, on the other hand, are the Defence Department, agencies of the United Kingdom Commercial Corporation, and all the well-to-do class who could afford to get their requirements from the numerous and flourishing black markets where even the Government is reported to have frequently resorted for procuring their own needs. These phenomena must be primarily ascribed to the extremely defective system of distribution operating in the various provinces.

~~Need for stimulation of imports~~



Need for Stimulation of Imports.— With the insufficient and unreliable statistical data available on the subject of production and consumption of food grains and the inept and unsatisfactory machinery for distribution, it would be a blunder of the first magnitude for Government to continue to work on the same lines as hitherto. Until the distributive machinery is adequate and the provincial administrations are satisfied that their own requirements, regarding the interests of the growers, are properly considered and not unduly sacrificed, the only measure which would restore confidence is for the Central Government to supplement the resources of the country by substantial and speedy imports of wheat from abroad.

Ordinance Regime deplored.— The disposition to procure and distribute supplies of food grains merely by the issue of Ordinances, notifications and decrees must be discouraged, not only because these have proved utterly ineffective, and certainly not enhanced the prestige of the administration, but because they are not the proper approach for the solution of the enormous problem which faces the Government and the people at the present moment. It is necessary to mention that Governments, both at the Centre and in the provinces, in intimate touch with the people, would undoubtedly bring about an easier and more effective solution of the problem.

(The Hindustan Times, dated 22-9-43). +

The Madras Estates Land (Temporary Amendment)  
Bill, 1943.

The Madras Government has, on 31-8-43, Gazetted the Madras Estates Land (Temporary Amendment) Bill, 1943. In the statement of Objects and Reasons, it is pointed out: "In the present emergency, it is of the utmost importance to increase the production of ~~all~~ food crops in the Presidency in every possible way. A large extent of land is now lying waste in estates governed by the Madras Estates Land Act, 1908, and difficulty is felt in bringing many of these lands under cultivation, owing to the fact that under the Act as it now stands, when a person is admitted to possession of any ryoti land, he immediately acquires a permanent right of occupancy therein. Amendment of the Act is also necessary for another purpose. Section 11 of the Act gives the ryot absolute freedom to raise any crop he pleases on the land, and section 187 (1) (b) prohibits the landholder from imposing any condition to the effect that the ryot shall not raise crops other than food crops on the land. The Bill provides for the temporary assignment of waste lands situated in estates for periods which may range from three to five years, subject to conditions which will secure that the lands are used for the purpose of raising food crops, while at the same time avoiding any disturbance to the legitimate rights and expectations of the landholder".

The Bill will be taken up for consideration on or after 1-10-1943.

(Pages 73-76, Part IV A, The Fort St. George Gazette, dated 31-8-43). +

The Sind Essential Articles Restricted  
Acquisition Order, 1943. +

The Sind Government has issued under the Defence of India Rules

on 25-9-43 the Essential Articles Restricted Acquisition Order, 1943, under which no person may, except under the authority of a Government licence, acquire any essential article if by so doing the quantity thereof in his possession or under his control shall exceed the normal quantity required by him. The restriction does not apply to such part of the quantity of any essential article in the possession or under the control of any person as has been acquired by him before the coming into force of this Order, nor to the acquisition in the ordinary course of his business of any essential article by a person carrying on the business of a producer, dealer, manufacturer, carrier or warehouse-man. It is also provided that no person shall sell, or otherwise dispose of any essential article to another person if he knows, that by doing so the quantity of such article which may lawfully be acquired by that other person will be exceeded.

'Essential Articles' means wheat and wheat products, rice, jowar and baajra, and 'normal quantity' means such quantity as would reasonably be required for use and consumption by a person or his household or in his establishment during a period of one month. The basis of calculation will be  $\frac{1}{2}$  seer (1 seer = about 2 pounds) per adult per day,  $\frac{1}{4}$  seer per child between 2 and 12 years and  $\frac{3}{4}$  seer per a heavy manual worker. The establishments included are catering establishments, institutions, residential establishments and manufacturing establishments. ~~residential establishments and manufacturing establishments~~

The Order came into ~~present~~ force on 25-9-43 in the city of Karachi, and may be extended to other areas by notification in the Official Gazette.

(Pages 1200A-1200B, Part I, The Sind Government Gazette Extra Ordinary, 25-9-43),  
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#### Post-War Reconstruction.

##### Reservation of Posts for Ex-Service Men: Bombay Government's Modified Scheme.

In order to protect the interests of those joining the Defence Services and to prevent unfair competition as far as possible, the Bombay Government has extended its reservation of Government appointments for persons who have rendered approved war service.

In 1941 the Government decided that 50 per cent of permanent vacancies in the Provincial Services normally open to public competition (except in the Provincial Medical, Public Health and Judicial Departments) occurring from November 10, 1941, were to be kept substantively unfilled with a view to their being made available, after the war, candidates with approved war service. ~~This number of reserved vacancies, could be available.~~ The remaining 50 per cent of unreserved vacancies, could be filled permanently, but candidates, if any, with approved war service were to receive preference. Further reservations covering also the Judicial Department were made in 1942.

In modification of this order, it has been decided in August, 1943, that on and after 1-9-43, the 50 per cent unreserved vacancies in the Provincial Services, other than services and posts in the Provincial Judicial Department, should also be kept substantively unfilled for the duration of the war. These substantively unfilled vacancies, which will be filled on a temporary basis for the period of the war, will be filled permanently after the war by ~~selection~~

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selection from among persons who have been holding them on a temporary basis as well as from among candidates with approved war service.

(Un-Official Note date 31-8-43, issued by the Director of Informations, Bombay). +

Expansion of Road Transport:

Annual Meeting of Indian Roads and Transport Development Association, Bombay, 25-8-43. +

Speaking at the annual meeting of the Indian Roads and Transport Development Association held at Bombay on 25-8-43, the Hon'ble Mr. R. H. Parker the President, expressed disappointment at the lack of any real progress in road development during the last decade and said that when the Central Road Development Fund was created in 1929, which made available a small portion of the petrol tax for the construction and improvement of roads, hopes were justifiably entertained that it would mark the beginning of a real effort to provide India with an adequate and efficient net work of roads. Far from these hopes being realised, the ten years preceding the outbreak of the war had seen less money spent on roads than before the creation of this new and additional source of revenue for road development. In contrast to this, the revenue provided by motor transport to the Central and Provincial Governments had doubled during these ten years and amounted to Rs. 95 millions in 1938-39, while the total road expenditure during that year was no more than Rs. 60 millions. Motor transport revenue was maintaining its upward trend and reached the figure of Rs. 115 millions in 1940-41.

Road Transport Development Essential for Economic Progress. - Emphasising the close relationship between adequate road transport facilities and economic advancement, he said that India's backwardness in the matter of roads has contributed very largely to her agricultural, commercial and industrial backwardness. In a predominantly agricultural country like India, scarcity of food, as at present prevailing, would never have occurred if the country had been adequately provided with roads. If large areas of cultivable land in the country have been lying uncultivated for years, one of the chief contributory causes has been that, owing to the lack of roads in the areas and the consequent lack of access from them to markets, cultivation of the lands has not been a paying proposition in the past, since the primary producer has to pay the high cost of the primitive transport which he has to use. Pointing out that transport would be cheaper, given improved roads, said that the metalling of cart tracks would, for example, reduce the strain on draught animals, and increase both the carrying capacity and the speed of the bullock cart; and assuming that this had a money value of 2 annas per cart-mile, a metalled system of roads would in carting costs alone save the country a sum of over Rs. 550 millions annually - an amount larger than the total pre war defence budget and twice as large as ~~the interest charges~~ the interest charges on the capital invested in Indian Railways. There could be no justification for failing to confer so great a benefit on the nation and, as in the case of railways, it is equally the duty of the Government to invest large sums in road communications. Even if this large financial gain of roughly Rs. 550 millions annually did not come back to the revenues of Government, he held it to be ~~the Government's duty~~ the Government's duty, as the

guardian of public welfare, to perform this task; but in developing roads, he said, Government can be sure that the expenditure incurred comes back with a profit, for it is in this manner that the foundations of national wealth and prosperity are laid, thereby not only increasing the taxable capacity of the nation, but also increasing the direct return to the railways in the form of additional traffic and multiplying the equally direct return to the Government in the form of revenue from motor transport which is bound to expand given good roads.

Post War Development.- Referring to post-war schemes, he pointed out that a road programme planned without delay and ready for execution the moment hostilities cease is indispensable for meeting the conditions that will face the country on the termination of the war. Such a programme can offer employment to large numbers of the returning soldiers and to other men at present employed in war industries; it will also provide work for the mechanical construction units to be released by the Army. And more important still is the fact that without an extensive road building programme the country will not be in a position to absorb the thousands of Army transport vehicles which will be available after the war, nor the vast numbers of motor drivers now in the employ of the Army, who will seek civil employment when the war is over. Heavy losses will have to be incurred if the vehicles have to deteriorate unused through want of roads after the war. If vehicles lie idle, their drivers may also have to be retained in military service. The total losses in these directions may easily amount to several millions of rupees which, with wise planning, could be converted into a valuable asset in the shape of an increased mileage of roads, thereby giving employment to the men and vehicles and enhancing the country's prosperity in diverse ways.

'Pilot' Schemes.- Mr. Parker said that the Indian Roads and Transport Association has been engaged in the preparation of two small 'pilot' road schemes designed, firstly, to serve as a sample for more extended programmes, and secondly, to draw attention to the nature and extent of the investigation necessary for the type of planning the Association would recommend. The two schemes, each covering roughly 500 square miles of area, will be supplied to the Government of India at an early date. These investigations incidentally show at every stage that the income and benefits from roads far outweigh the cost that has to be incurred in their construction and maintenance. He said that these schemes are only intended to serve as a model and that they will not be of any benefit unless the Government of India and the Provincial Governments make thorough arrangements for the planning and financing of the enormous programme that will have to be in readiness before the war ends.

Co-ordination of Means of Transport.- He also referred to the widespread recognition, fostered by war time transport conditions, of the fact that the various forms of transport are complementary to one another in their common aim of serving the country and urged that, after the war, co-ordination should be effected between the various agencies of transport with the single aim of enabling the country to derive the maximum benefit from each.

(The Times of India, dated 28-8-43). +

Steps to Implement Soreley Committee's  
Recommendations re. Country Craft Traffic  
on the West Coast.

The Government of India is taking further steps for the encouragement of country craft traffic on the West Coast of India on the lines recommended in the report of the Soreley Committee. ( vide pages 47-48 of our report for February, 1943.) Certain decisions in this regard were reached at by a conference, held at Karachi during the last week of August, 1943, of representatives of the Central Government Department concerned, the Karachi Port Trust Authorities and representatives of the country craft owners. According to the scheme emerging from these talks, the Government of India has decided to divide the coast line into several zones for the purpose of enabling country craft to take in a larger share of cargo of Government requirements than at present, and thus relieve the pressure on other forms of traffic by land and sea routes. In each zone will be set up one or two agents, who will act as brokers for the Government in securing the necessary craft.

Organisations directly connected with the trade do not, however, view the scheme with favour. In a representation to the Government, they urged that it would be better, in the interest of the Central Government itself, to follow the example set up by the Sind Government in the matter of procuring foodgrains for export from the Province, namely, dealing with the interests concerned directly or through a special syndicate, instead of setting up agents, as the latter method would involve the giving of monopoly rights to one or two individuals. In the matter of freight they urge that the rates should not be fixed by Government agents at their sole discretion and that freightage must be separated from the commission which would be allowed to the agents.

(The Eastern Economist, dated 3-9-43.)-

Conditions in Indian Silk and Art Silk Industry  
in 1942-43.

The fourth annual General Meeting of the Silk & Art Silk Mills Association of India was held at Bombay on 28-8-43, Mr. Ramdeo A. Podar, Chairman of the Association, presiding. Reviewing conditions in the industry during 1942-43, Mr. Podar pointed out how a number of member mills had to close down for lack of adequate supply of raw materials. On this point, Mr. Podar said : " To replace art silk yarn, we tried parachute fabrics but, for reasons somewhat difficult to be understood, the member mills who had undertaken to manufacture the same, had to give it up. Consequently, the expectation of running the looms, thereby continuing the employment of the workers and the staff, could not be fully realised in the manner expected, and each mill had to decide on its own merits about the workability and continuity of the work owing to inadequate supplies of raw materials".

Some of the mills, however, had been partially working either with art silk yarn from stocks held by them or purchased locally from old stocks or by using cotton yarn as raw material. But the mills working with cotton yarn found it difficult to continue owing to difficulties in obtaining finer count yarn of proper tests and higher prices.

He deplored the absence of an art silk yarn industry in India. The only way out he said was in developing art silk yarn manufacture in India. He appealed to the members of the Association to consider this problem seriously and, if possible, to raise the necessary capital for the import of plant and machinery after the war for the starting of the new industry.

(The Bombay Chronicle, dated 31-8-43.)

'Badla' Transactions in Stock Exchanges banned:  
Further Amendment to D. I. Rules.

The Government of India has on 11-9-1943 gazetted a further amendment in the Defence of India Rules, by adding a ~~number~~ new rule 94 C (Prohibition of badla) after rule 94 B. The amendment provides that no Stock Exchange shall, after 24-9-1943, permit, or afford facilities for, - (a) the transaction of badla; (b) the making of any contract other than a ready-delivery contract; or (c) the carrying out of settlement of any 'badla' transaction or any contract other than a ready delivery contract.

"Badla" includes a contango and a backwardation and any other arrangement whereby the performance of any obligation under a contract to take or give delivery of securities within a stipulated period is postponed to some future date in consideration of the payment or receipt of interest or other charges. "Contract" means a contract made, or to be performed in whole or in part, in British India relating to the sale or purchase of securities. "Ready-delivery contract" means a contract which must be performed by the actual delivery of, or payment for, the securities specified therein on a date not later than the seventh day or, if the seventh day happens to be a holiday, the business day next following) from the date of the contract.

(No. 595-596, The Gazette of India Extraordinary dated 11-9-1943.)

WAR RISK INSURANCE

The War Risks (Inland Vessels) Insurance Rules, 1943

Reference was made at pages 32-33 of our August 1943 report to the War Risks (Inland Vessels) Insurance Ordinance, 1943. At pages 575-578 of the Gazette of India Extraordinary dated 3-9-1943 are published the War Risks (Inland Vessels) Insurance Rules, 1943, issued by the Government of India on 3-9-1943, in exercise of powers conferred by the War Risks (Inland Vessels) Insurance Ordinance, 1943.

General

Labour Policy during Wartime, 1939-43:  
Action taken by the Central Government.

The following survey of the policy followed by the Government of India in respect of labour and the measures adopted for the improvement of <sup>the workers'</sup> their conditions is based on an unofficial note dated 20-9-1943 issued by the Principal Information Officer, Government of India. Evolution of a central machinery for the welfare of labour, establishment of a tripartite Conference, legislation to compensate workers sustaining war injuries - these measures, together with the steps which have been taken to ensure war production, constitute the more important labour measures of the four years of war. (References have been made to these subjects in our monthly reports.)

Labour Welfare:

## Labour Welfare :

**A. Welfare Machinery.-** A central machinery for labour welfare was set up with the appointment of Mr. R.S. Nimbkar, a labour leader conversant with the aspirations of labour in India, as Labour Welfare Adviser, Government of India. A number of Assistant Labour Welfare Officers were also appointed in various Provinces and these Officers have been instrumental in explaining the policy of Government to workers as well as to employers, and in bringing to the notice of the Government the scope and extent of welfare measures undertaken by employers in their respective zones. The presence of a welfare organisation like this proved useful in ascertaining the wartime needs of the workers. Central Government has on various occasions urged employers all over India to undertake welfare measures, in their own interest or in the interest of labour, in their undertakings.

**B. Food Supply.-** The rising cost of living and difficulties in obtaining foodstuffs were disabilities which affected labour as much as they affected the general population. Government realised that these disabilities were likely to hamper the efficiency of labour and, therefore, urged employers to open cost price grain shops in their undertakings. Employers all over the country have shown interest in making adequate provisions for their employees in respect of foodstuffs and other essentials of life. Cheap grain shops were opened either by the employer or by the workers' co-operative societies, and in almost all the industrial provinces necessary storage arrangements were made by the employers for the supply of foodstuffs to their employees in an emergency. Prominent employer advanced capital to a co-operative society of workers for running grain shops and provided for storage accommodation at reduced rent. There are other instances of employers who went to the extent of opening canteens for providing meals and refreshments to workers at cheap rates. In the beginning, emphasis was laid on making suitable arrangements for cooked food supply during a period of emergency. Eventually, however, Government went a step forward and recommended the opening of cooked food canteens for workers in all industrial undertakings. Provision of food at cheap rates to workers separated from their families, substantial economy in the use of foodstuffs as a result of communal feeding and the utility of canteen service in an emergency - these and other advantages of the canteen system have been pointed out to employers and they are urged to consider the advisability of adopting this measure as a part of their general food policy.

**C. Safety Measures.-** An important aspect of labour welfare was the safety of labour in the event of enemy air raids, a danger which has assumed importance since the occupation of Burma by the Japanese. This aspect of the question was taken up before the danger became real and tangible. Government recognised their responsibility for seeing that under war conditions workers in factories were adequately protected from the risks of air raids. They appointed a team of A.R.P. experts to ensure that adequate protection designed on the latest approved lines was available for workers. The number of slit trenches and A.R.P. shelters which exist today in the factories in almost all industrial zones in India are the results of these protective measures undertaken well in advance of the real danger. Side by side with these efforts being made to compensate the workers who sustain war injuries. The Injuries (Compensation and Insurance) Act, 1943, imposes on employers a liability to pay compensation to workers sustaining war injuries. The prompt payment of such compensation is ensured by the provision for compulsory insurance of employees with the Government against a liability.



**Tripartite Organisation.**- Yet another factor which is playing significant part in the initiation and formulation of progressive labour policies is the institution of a Labour Conference which began with the Labour Ministers' Conference in 1940 and has now emerged as a tripartite organisation representing the Central, Provincial and the Indian States Governments, the employers and the workers. This is an important development, closely on the lines of International Labour Organisation; and the Conference, in years to come, may become a full-fledged industrial council, so strongly recommended by the Whitley Commission on Labour 12 years ago. That this institution has provided opportunities for full and free contact between employers and employees, is borne out by the wide range of the subjects discussed, and the decisions taken, at the two sessions of the Tripartite Conference and the three meetings of the Standing Labour Committee attached to it held up till now. Questions relating to cheap grain shops, provision of canteens and A.R.P. measures in factories were discussed at the first Tripartite Conference in August 1942. The important question of wages was one of the first to be discussed by representatives of labour, employers and Government. These discussions brought out the need for collecting reliable data.

**Post-War Employment Problems.**- But the scope of these discussions is not been confined to issues directly connected with the war. Far-reaching decisions regarding social security for labour and minimum wage were arrived at at the recent session of the Tripartite Conference, and it was agreed that a machinery for investigating questions of wages and earnings should be immediately set up. This machinery will collect data for the formulation of a plan for social security for labour. The decision taken at the third meeting of the Standing Committee regarding the establishment of employment exchanges to deal with problems arising out of mobilisation of skilled and semi-skilled workers on the termination of hostilities is another instance of forward planning. Following the discussions of the Standing Committee, a detailed scheme has been drawn up, under which voluntary employment exchanges, similar to those functioning in other industrial countries of the world, will be established in a few weeks at various centres in India. The exchanges will assist employers in finding technical personnel for their undertakings and will, at the same time, help personnel in finding employment.

That the war has not hampered progress in improving the peace-time labour code is borne out by the scheme for insurance against sickness, which is under preparation. Prof. B.P. Adarkar, who was appointed for drafting a tentative scheme, has been ascertaining the views of the employers' and workers' organisations on matters like workers' obligations to contribute, their eligibility to receive benefits, the nature and extent of the contributions to be made by employers and workers, the extent and duration of cash benefits and the advisability of bringing maternity benefits under sickness insurance.

**Scheme for Compiling Cost of Living Index Numbers.**- The war also brought to the forefront the need for collecting data regarding the cost of living. Facts and figures of this nature are being collected in some Provinces in India. But there is still a need for the preparation and maintenance of Cost of Living Index Numbers on a uniform basis. Government have, accordingly, formulated a centrally controlled scheme and have appointed an officer to make necessary preparations for the preparation of Cost of Living Index Numbers in selected centres on a uniform basis. 14 centres in Bombay, 9 in Bengal, 9 in U.P., and 1 in C.P. and Berar, 2 in Orissa, 2 in Assam, 7 in Bihar, 2 in Sind, 6 in the Punjab and one centre each in Delhi and Ajmer have been selected for the compilation of Cost of Living Index Numbers. Investigations

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be carried out at these centres regarding the family budgets of workers. Along with the main Cost of Living Index Numbers scheme, two other schemes have been formulated with a view to compile Retail Price Index Numbers for urban and rural centres.

Wartime Legislation.— All these measures, undertaken in wartime, have been instrumental in shaping the peacetime labour code of India. But war has also necessitated certain measures of a temporary nature to ensure steady war production. The Essential Services Maintenance Act, promulgated in 1941, requires the workers to stick to their jobs and, at the same time, provides for fair terms of employment to workers employed in essential services. Shortly after the outbreak of war, it became evident that, in order to utilise the technical personnel available in the country to the best advantage of the war effort, Government should take power to require industrial undertakings to release technical personnel for employment in factories engaged on work of national importance and to require technical personnel to undertake employment in such factory. The National Service (Technical Personnel) Ordinance accordingly promulgated in June 1940. Under the Ordinance, 10 Regional Service Labour Tribunals have been constituted, 9 for the major provinces and one for Delhi and Ajmer-Merwara. Since their establishment, up to the end of March 1943, the Tribunals took 7,480 persons into national service.

The need to maintain war production made it essential that some system should be devised to ensure that industrial disputes, when they arise, are settled without the necessity of resorting to direct action. The Government of India, therefore, made Rule 81-A, of the Defence of India Act in January 1942. This Rule, in brief, empowers the Government to refer industrial disputes to "adjudication", with the provision that the adjudication award can be enforced by an order of Government. This system has proved useful in the prevention and early settlement of industrial disputes. The latest available figures show that the number of strikes has remained at a low ebb and where strikes have occurred their duration has been small. There has been no case of any strike lock-out during the pendency of adjudication procedure and both employers and employees have been willing to abide by the procedure as well as by the decisions of adjudicator.

(Unofficial Note dated 24-9-1943,  
issued by the Principal Information  
Officer, Government of India.) +

List of the more important publications received in this office  
during September 1943

sation, Congresses, etc.-

The Employers' Association of Northern India, Cawnpore. Speech by Sir Padampat Singhania, Kt., M.L.A., Chairman, Sixth Annual General Meeting, 23-8-1943.

Sixth Annual Report of the Employers' Association of Northern India, Cawnpore, for the year 1942-43. Presented to the Annual General Meeting held on 23-8-1943. The Star Press, Cawnpore. 1943.

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Assam.

The Assam Maternity Benefit Bill, 1940  
Governor Suggests Further Provisions before  
Adoption: Council Accepts Suggestions.

References were made at pages 2 and 3 of our March 1941 and June 1943 reports respectively to the adoption of the Assam Maternity Benefit Bill, 1940, by the local Assembly and Council. On 25-6-1943, the Governor of Assam, to whom the Bill was submitted for assent, returned it to the Legislature with the request that the Legislature should consider the desirability of amending the Bill in certain directions suggested by him. (The message was presented to the Council of State on 28-6-43.) The amendments suggested were designed to carry out better the intention of the Legislature in passing the Bill. The suggestions are: (1) The preamble to the Bill indicates that its provisions are intended to apply to factories, plantations and any other establishments which the Provincial Government may notify in this behalf; but there is no specific provision in the Bill itself applying it to factories or conferring power on the Government of Assam to extend it, by notification, and a mere recital of the purposes of the Bill in its preamble is inadequate for this purpose. It is necessary, in order to make the Bill effective, to add a provision governing its application. Mines and oilfields have been excluded because they are subject to legislation by the Central Legislature, which has passed the Mines Maternity Benefit Act, 1941; (2) "Factory" is not a self-evident term and requires definition; (3) Although it is contemplated by the Bill that the benefits provided in clause 4 should be payable by the employer, the Bill nowhere lays this obligation expressly on him.

Suitable clauses to remedy these defects were moved in the Council on 2-7-1943; the Bill was adopted by the Council the same day.

(The Assam Gazette, Part VI-B  
dated 6-10-1943: pages 225 and  
336 to 337 ). +

Bombay.

Provision of Drinking Water : Amendment  
of Factories Rules.

The Bombay Government has amended the provincial Factories Rules in order to substitute new clauses regarding the provision of drinking water, in place of the existing rules.

6733/34  
( Notification No. 6733/34 dated  
28-9-43: The Bombay Government  
Gazette, Part IV, dated  
7-10-1943, page 138 ). +

Bombay.

Amendment of Payment of Wages Rules.

The Government of Bombay has gazetted a Notification Part (I)

of which excludes in the case of all factories situated in the Province of Bombay, the value of the difference between the price paid by employees to their employer for foodgrains, cloth, kerosene and other articles commonly used by them and the market price of such articles from the definition of the term "wages". The second part of the Notification ~~authorises~~ authorises, subject to the following conditions, the supply by an employer to his employees of foodgrains, cloth, kerosene and other articles commonly used by them from a grain shop or store operated by him for their private use and at their will as an amenity for which deductions from the wages of such persons may be made, namely:- (1) The employer shall not charge any rent for the shop or store; (2) The shop or store shall not be conducted for the purpose of profit; (3) The selling prices of all articles shall be displayed in a conspicuous place in the shop or store; (4) The shop or store shall always be kept in a clean condition; (5) An Inspector shall be given a right of entry and of inspection of the articles, records and premises and a right to take samples of the articles kept in the shop or store.

( Notification Nos. 6378/34 (1) and (2) dated 12-10-1943: The Bombay Government Gazette, Part IV-A, dated 14-10-1943, page 139 ). +

#### British Baluchistan.

#### Extension of Central Acts to Baluchistan.

The Government of India extended a few Central enactments to British Baluchistan. These include (1) The Indian Boilers' (Amendment) Act, 1943, Act XVII of 1943, (2) The Mines Maternity Benefit (Amendment) Act, 1943, Act XVIII of 1943, (3) The Motor Vehicles (Drivers) Amendment Act, 1943, Act XIX of 1943 and (4) The Reciprocity (Amendment) Act, 1943, Act XXII of 1943.

(Notification No. 156-F dated 29-9-1943: The Gazette of India, Part I, Section 1, dated 2-10-1943, page 1073). +

#### North West Frontier Province.

#### N.W.F.P. Trade Employees Bill, 1943.

By Notification No. 17509-D.L., dated 6-7-1943 the Weekly Holidays Act, 1942, was brought into force in all the Municipalities and Cantonments in the N.W.F. Province. By a subsequent Notification No. 20176-D.L.D.D.-24/18, dated 9-8-1943 the following persons are exempted from the provisions of the Act:- (a) Persons employed in a public utility service; (b) Persons employed in a shop or commercial establishment under the management or control of the Central or a Provincial Government; and (c) members of the family of the employer.

Subsequent to applying the Weekly Holidays Act, 1942, to certain areas of the Province as referred to above, the Government of the N.W.F. Province framed the N.W.F.P. Trade Employees Bill, 1943. The full text of the Bill, together with the Statement of Objects and Reasons, appeared at pages 3-6 of an Extraordinary issue dated the 5th August 1943 of the N.W.F.P. Government Gazette. The Statement of Objects and Reasons is as follows:-

"There is at present no law in the North-West Frontier Province to protect the rights and regulate the working conditions of persons employed in shops and commercial houses. This Bill is designed to limit the hours of their employment and secure for them rest intervals, holidays, leave with pay and prompt payment of wages. Some of its principal features are:- (1) A maximum of 54 working hours per week and 10 hours per day is prescribed; (2) All shops and commercial houses with a few exceptions noted in the Bill shall be closed for one day in a week; (3) Wages shall be paid for holidays if the employee has continuous service of 15 days or more; (4) An employee with one year's continuous service shall be entitled to leave for 14 days with full pay; (5) Deductions from wages by way of penalty shall not exceed one pice per rupee.

Contravention of the provisions of the Bill involves a penalty of Rs. 25 for the first offence and a penalty of Rs. 100 for every subsequent offence. The Bill applies to the whole of the Province; but in the first instance its provisions will be enforced only within the municipal and cantonment limits of the North-West Frontier Province."

( Indian Labour Gazette, October, 1943 issue ).

#### The United Provinces.

##### Exemption of Certain Classes of Workers from Provisions regarding Hours of Work and Weekly Rest of the Factories Act; Draft Notifi- cation.

The U.P. Government has gazetted the draft of certain amendments to the Provincial Factories Rules, to redefine the classes of workers who are subject to certain conditions, exempted from the provisions relating to hours of work and weekly rest of the Factories Act. The exempted classes includes persons holding positions of supervision or management, maintenance staff, those engaged in urgent repairs, those employed in continuous process factories, etc.

( Notification No. V-1163(L)/  
XLIII-247(L)-43 dated 21-10-19  
43: The Government Gazette of  
the United Provinces, Part I-A,  
dated 23-10-1943, pages 277-  
279 ).

#### Government of India

##### Extension of Minimum Age Limit in Mines Act to Fresh Classes of Mines

Sections 26 and 26A of the Indian Mines Act, 1923, which implemented the Minimum Age (Industry) (Revised) Convention of 1937 as far as mines in India are concerned, were not applied to all mines; There have been some mines which were exempt from the application of the Indian Mines Act, 1923, so that the limitations imposed by Sections 26 and 26A were not obligatory on them. By a notification of the Department of Labour dated 6-8-1943 such mines which have hitherto been exempted from the provisions of the Mines Act have, with the exception of the salt mines in the Kohat District, been required to comply with sections 26 and 26A, in other words, to observe the minimum age limits prescribed by the Convention.

( Notification No. M1055 dated 6-8-1943: The Gazette of India, Part I, Sec. 1, dated 14-8-1943, page 901.)

Central Government's Concern for Labour Welfare:  
Minimum Wage Boards, Better Housing, etc.:  
Labour Adviser's Speech at Madras. .

Addressing a workers' meeting under the auspices of the Wimco and Tax Workers' Labour Unions at Tiruvottiyur, Madras, on 5-10-43, Mr. R. S. Nimbkar, Labour Adviser to the Government of India, referred to the labour policy of the Government and stressed the need for co-operation between Government, employers and workers.

Pointing out that most labour problems could be solved and progress made if there was thorough co-operation between the Government, Employers and labour, he said that the Tripartite Labour Conference recently set up by the Government of India was created with the specific intention of increasing this co-operation; he added that, although the decisions of the conference were not binding on the Government, its advice carried considerable weight with the Government and helped the Government to frame suitable policies for workers' welfare.

Mr. Nimbkar then dealt with the more recent steps taken by Government for the welfare of labour, and directed attention to the proposal of the Government of India to enquire into the conditions of plantation and mine workers for fixing decent minimum wages for them. He said that the wages of workers in Madras Presidency were low and most of them were half-starved. The Government of India were keen on establishing Minimum Wage Boards throughout the country. They were also considering questions like holidays with pay and sickness insurance. They were going ahead in persuading employers to institute provident funds. At a place in Northern India where an ammunition factory employed 25,000 workers, the Government had built houses for 12,000 of them during 1943. At present another place where a mint had been built, they had provided model housing facilities; somewhere in Northern India they had constructed a parachute factory, the whole of which was air conditioned. At one place the population of a town had on account of war industries, gone up from four to eight hundred thousands; but the Government had provided housing for all the workers. He ~~also~~ hoped that the Government would be able to solve the housing problem of workers satisfactorily within a short time. There were millions of starving people in India. Still in about 20 places in India the Government felt the shortage of coolly (unskilled) labour. In fact they were raising Labour Corps somewhere near the Himalayas to be taken where there was shortage of labour.

Referring to the threat of post-war unemployment, he advised workers to save a part of their present incomes and to organise themselves in properly constituted trade unions which would not fail to receive due support from the Government.

(The Hindu, 6-10-43). .



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Labour Statistician to be Appointed,  
by Government of India.

It is understood that a labour statistician and a statistician or the Cost of Living Index Scheme will shortly be appointed in the Labour Department, Government of India, to collect statistical information about labour. The labour statistician will direct and supervise the tabulation of statistical data and will initiate inquiries relating to labour matters. On receipt of the data, he will prepare draft reports on the interpretation of the data. He will also compile annual statistical reports on the working of labour laws.

The other statistician will advise the Director, Cost of Living Index Scheme, on statistical problems relating to family budget investigations and the compilation of Cost of Living Indices. He may also visit centres which have been selected for conducting investigations on family budgets.

It is further understood that Dr. S.N. Sastry, Lecturer in Statistics, Madras University, has been selected for the post of Labour Statistician and Mr. S.P. Saksena, Lecturer in Economics, Lucknow University, for the post of Statistician, Cost of Living Index Number Scheme.

( The Hindustan Times, dated  
30-10-43 ).

# CONDITIONS OF WORK.

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## Trade Disputes.

### Amendment of Trade Disputes Act: Views of Bombay Mill owners' Association on Government Proposals.

On 30-5-1943 the Government of India sent a Draft Bill to Provincial Governments to elicit opinion of interests on certain proposals to amend the Trade Disputes Act, 1929. In sending out the Draft Bill, it was pointed out that during war time there is already the machinery under the Defence of India Rule 81A, supplemental to the machinery of the Trade Disputes Act, 1929, but that it is desirable that permanent legislation ~~shall~~ should be placed on the Statute Book to serve in post-war circumstances. The main provisions of the Draft Bill were: (1) Prohibition of strikes and lock-outs without 14 days' notice. (2) Not only participating in a strike (as now under section 15(1)) but organisation of a strike is made punishable in certain circumstances. (3) If the appropriate Government appoints a Board of Conciliation or Court of Inquiry during the period of 14 days' notice, the organisation of or participation in a strike within two months from such appointment is made punishable. (4) Employers will be required in case of industrial disputes to give the appropriate Government or an authority appointed by Government information regarding conditions of labour in their concerns. (5) Employers will be required to observe for a certain period, terms and conditions of employment as may be determined by the appropriate Government or an authority appointed by them in this behalf. (6) The responsibility of the Central Government is specified in more detail and the existing provisions under sections 3, 18A, 19 and 17(2) are brought into line with the new provision.

Views of the Mill owners' Association, Bombay. The Committee of the Millowners' Association, Bombay, expressing its views on the provisions of the Draft Bill, pointed out that provisions somewhat on the lines of the Bill had already been incorporated in the Bombay Industrial Disputes Act, 1938. The Bombay Act was applicable to the cotton textile industry of the Province, and in this view of the case, the amendments were only of academic interest so far as the Bombay membership of the Association was concerned. Referring, however, to the specific clauses of the Bill, the Committee made the following observations:-

The Bill provided for the insertion of a new section requiring the employers to supply to Government such information as they might require regarding conditions of labour in the industry, business or undertaking, if any trade dispute existed or was apprehended. The object of these provisions was not clear. If the information required from employers was only to enable Government to make up their mind as to whether the dispute should be referred to a Board of Conciliation or Court of Inquiry, then there was probably nothing to be said against it except that a similar obligation might also be placed on labour with appropriate penal provisions for failure to supply the information called for. If, however, the information called for was really intended for the use of the Board or Court, then the powers proposed to be conferred on the appropriate Government were unnecessary since the Board or Court already enjoyed these powers under section 9 of the Act.

The Bill provided for the insertion of a new section which prohibits the declaration of a strike during the pendency of the dispute before a Board or Court. It was pointed out that this was not enough. Even in spite of the Government Ordinance prohibiting strikes without notice, there had been a number of lightning strikes, and it seemed that such strikes would continue to take place in future

also. In this view of the case, it was suggested that a further provision might be added requiring the workers to resume work on the appointment of a Board or Court if they were already on strike.

Finally, the Committee expressed grave doubts as to whether the amendments which Government had in view would serve any useful purpose from the point of view of preventing lightning strikes. In spite of the Ordinance prohibiting lightning strikes and in spite of the provisions of the Bombay Industrial Disputes Act prohibiting such strikes, there had been several illegal strikes in Bombay and elsewhere. The operatives knew that they had struck work in contravention of the law, but they also knew that it was practically impossible to prosecute all those who were concerned in all illegal strike. The prosecution of the ringleaders was difficult because in several cases it was difficult to find out who the ringleaders were and in several other cases such ringleaders condemned the strike in public but participated in it in private. The authorities responsible for the handling of the strikes were very often obsessed with the desire to get the workers back to work and placated the workers by appeasement, which in their opinion was the most logical thing to do.

(Annual Report of the Millowners' Association, Bombay for 1942, Pages 90-91). +

Leave and Leave Allowances of Inferior and Menial  
Servants of Local Boards in Madras Province: 1943 Rules

Rules regulating the grant of leave and leave allowances to inferior and menial servants of local boards in the province of Madras, have been ~~revised~~ on 24-9-43.

Leave and Leave Allowance.- The rules provided that servants whose posts are classed as 'inferior' in the rules regulating the grant of gratuities by local boards may be granted leave and leave allowances- (i) as provided for in the Fundamental Rules in the case of persons who were entertained in service prior to 4-9-1933; and (ii) as provided for in the Madras Leave Rules, 1933, in the case of persons who were entertained in service on or after that date. Servants classified as 'menials' may be granted in each year of service, calculated from the 1st April to the 31st March following- (i) leave on full pay for a period not exceeding fifteen days; and (ii) leave on half pay for a period not exceeding one month subject to the production of a medical certificate granted by a registered medical practitioner. All admissible leave not taken by a menial within the year shall lapse. In the case of menials of less than one year's service, leave may be granted only to the extent earned by active service, i.e., in the proportion which his active service bears to the full active service prescribed for a complete year. ~~Menial~~ Menial servants shall not be entitled to casual leave.

Maternity Leave.- Married women menial servants may, in addition to the leave already specified, be granted maternity leave on full pay for a period not exceeding two months in respect of each confinement. ~~This~~ leave is not debitable to the leave account and may be granted in combination with any other kind of leave. The sanctioning authority may, before granting the maternity leave, require the servant to furnish a medical certificate granted by a registered medical practitioner regarding the state of her health necessitating such leave.

Casual Leave.- Inferior servants may be granted casual leave upto a maximum of fifteen days in all in the course of one calendar year. No single period of absence on casual leave shall exceed seven days. Casual leave may be combined with Sundays or authorized holidays, provided that the resulting period of absence from duty does not exceed ten days. These servants will not be entitled to any casual leave as a matter of course. Members of works establishments belonging to the category of inferior servants may be granted casual leave whenever they are prevented by illness from attending to their work. Such leave may be on full pay or on reduced wages. Special casual leave not counting against ordinary casual leave may be granted to an inferior servant in exceptional circumstances. Casual leave can not ordinarily be taken in combination with any other leave, vacation or joining time. The president, local board, may, however, sanction such combination in special cases.

(Rules Supplement to Part I A,  
Fort St. George Gazette dated  
19-10-43, pages 2-3).+

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Factories Administration in Bombay in 1942.

According to a press note issued by the Director of Information, Bombay, on the report on the administration of the Factories Act in Bombay Province in 1942, the continued attention paid to smaller factories resulted in better working conditions in these factories, the number of which continued to increase. The number of working factories increased 8, from 3,621 to 3,719. The total gross number of factories (working non-working) subject to the control of the Act rose by 126 from 3,8 to 4,054, notable additions being engineering and certain industries affected with the war.

Accident Rate  
Number of Workers.- The number of operatives employed in all factories, according to returns received, showed an increase of 39,381, 1.4 per cent. as compared with the previous year. The number of women children employed showed an increase of 795 and 164 respectively. The total number of accidents reported was 16,190, against 15,054 in the preceding year, and the total number of persons injured was 16,345, against 15,143. The percentage of accidents to employees increased by 1.4 per cent.

Prosecutions.- During the year 288 prosecutions were instituted by full-time staff, as against 426 in the previous year. The amount of fines realised for convictions was Rs. 8,958, against Rs. 13,721. No prosecution was instituted by ex officio inspectors.

Welfare Measures.- The welfare work done in factories on ventilation, housing, cheap grain shops and in various other directions continued to make progress in spite of war difficulties.

Working of the Employment of Children Act, Maternity Benefit Act and the Payment of Wages Act.- The Employment of Children Act continued to receive the attention of the full-time staff in the cities of Bombay, Madras and Ahmedabad, other centres being under the control of the local revenue officers, who are declared inspectors for the purpose. The reports received from these officials do not reveal any abuses of child employment.

Enquiries revealed that women workers on maternity leave did not receive any dearness allowance or grain concessions in recompense for the high cost of living. The position was considered to need some action and recommendations made to the Millowners' Associations at Bombay and Ahmedabad resulted in the two bodies agreeing to pay a 50 per cent. increase on the prescribed rates.

The Payment of Wages Act continued to be of great assistance to workers. Shortage of small coin caused some difficulties in payment of wages, but these were remedied by suitable arrangements.

(Press Note No. 1069 dated 26-10-1943,  
issued by the Director of Information,  
Bombay.) +

Retail and Whole-sale Prices in Hyderabad  
State - 1931-32 to 1940-41.\* +

This publication gives useful and authoritative information about retail and whole sale prices in Hyderabad State for the decade 1931-32 to 1941-42, which includes three years of the present war. The Director of Statistics and Census, Hyderabad State, in the introduction to the publication points out: "With the declaration of the second World War in September 1939, there was a sudden jump in prices. Prompt measures were adopted throughout India to control the situation. The Nizam's Government also appointed a Committee for checking profiteering in Hyderabad State. Except in case of rice, the prices of other food grains showed no cause of anxiety till the end of 1940 F. (1940-41) in Hyderabad. This is why the demand for dearness allowances was not so very active in the State, and the Wages Census returns showed a slight rise on the pre-war scale. With the issue of this publication, there become available the prices in the State of certain principal staple food grains for an unbroken period of fifty years."

The publication contains 12 charts and 102 tables. Some of the more important tables are: "Comparative statement of Retail Prices of food grains in Hyderabad State and India during the last fifty years 1301-1350 F. (1891-92 to 1940-41). Average annual Retail Prices of chief commodities in Hyderabad State with index numbers." The commodities dealt with are: paddy, rice, wheat, jawar, bajra, ragi, maize, gram, tuar, ~~kind of pulses and salt~~, "Average Wholesale Prices of chief commodities in Hyderabad State with index numbers". The commodities dealt with are: paddy, rice, wheat, jawar, bajra, ragi, maize, gram, tuar, cotton lint, cotton seed, sesamum (oil), linseed, castor seed, tobacco, ghee, gur, salt, kerosene oil and plough bullocks..

Annual General Meeting of the Indian Sugar  
Mills Association, New Delhi, 16-10-43. +

Problems relating to the sugar industry - better control of distribution, organised marketing, planned production, etc., - were dealt with by Mr. Krishan Deva, president of the Indian Sugar Mills Association, in his address at the annual general meeting of the Association held at New Delhi on 16-10-43.

Plea for setting up Distribution Panels. - Referring to the acute difficulties experienced by the public in obtaining sugar for their daily requirements, in spite of the fact that there are adequate stocks existing in the country, he suggested that the remedy lay in the Central and the Provincial Governments working in a co-ordinated manner in the matter of distribution of sugar, taking into confidence the industry.

Retail and Wholesale Prices in the Hyderabad State from 1341 to 1350 A.D. (1931-32 to 1940-41 A.D.) by Mazhar Husain, M.A., B.Sc., Director of Statistics and Census. Price Rs. 1/- . Third issue. H.E.H. the Nizam's Government. Pages 225. +

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and the trade interests concerned. The co-ordination, he said could be effected by the formation of a Panel or a Board, consisting of accredited representatives of the industry and the Central Government, to plan distribution of sugar in the country, along with Regional Boards or Panels for the various Provinces. He referred to similar bodies appointed in connection with the control of textile goods and drugs and said that there was no justification for subjecting the sugar industry to a differential treatment by not appointing such a Board representative of the industry for controlling transactions in sugar. Criticising the method and manner of distribution of sugar adopted by the various Provincial Governments, he said that instead of relying on the normal channels of trade and utilising the same for effecting proper distribution of sugar, the Governments had attempted to set up their own organisations and agencies for the purpose. But most of these had failed either on account of their lack of experience in the trade or absence of the necessary funds.

Post war Problems.— Referring to the post-war problems of the industry, he expressed the view that it was imperative for the Indian sugar industry to produce cheap sugar of an improved quality and to set up efficient marketing arrangements, as also to devise measures which would secure the industry against periodical fluctuations of increased production and restricted output both of cane and sugar. He stressed the fact that production at lower rates was absolutely essential if the industry were to retain the home-market and win new markets outside. Expansion to foreign markets was indispensable for keeping the factories fully engaged, as their cane crushing capacity had expanded to one and a half million tons a year - an amount much above India's highest consumption till now. But cheap sugar, however, could be produced only when the grower was able to cut down the cost of production of cane appreciably as it formed more than 50 per cent of the total cost of sugar. He therefore emphasised the necessity of both the Provincial and Central Governments giving more attention to cane development work.

(The Amrita Bazar Patrika,  
dated 19-10-43 ). +

Manufacture of Chemical Fertilisers:  
Expert Committee's Proposals.

A conference of representatives of the chemical industry and the Government of India presided over by Sir A. Ramaswamy Mudaliar, Supply Member, Government of India, was held at New Delhi on 29 and 30-9-43 to consider methods of increasing production of fertilisers, especially ammonium sulphate, from available indigenous raw materials.

The consumption of ammonium sulphate in India, which went up steadily in the pre-war years to 96,000 tons per annum, has fallen since 1939-40, mainly due to restrictions of imports resulting from the war. The conference emphasised the need for increasing production of fertilisers from indigenous sources, both on a short-term basis and from the point of view of long-term possibilities. Enquiries on these lines were conducted by a Committee appointed by the Conference, with Sir. P.M. Kharegat, vice-chairman of the Imperial Council of Agricultural Research, as President, and consisting of a few official and non-official members. The Committee examined the possibilities of new production within the next two years, the most easily available resources which could be exploited and the assistance that was needed to

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set up the industry. It estimated the existing capacity for production of ammonium sulphate at about 30,000 tons, against the Food-grains Policy Committee's estimate of 350,000 tons a year required as fertilisers if India's dependence on imports of rice from abroad was to be reduced. A total production of 350,000 tons from the new plants, to be set up and to start working within the next two years, was considered feasible.

Several representatives of the chemical industry expressed their readiness to put up plants, subject to assistance which the Government could render. It was urged that the most immediate problem would be the question of importing the necessary plants and the difficulties during war conditions were stressed. It is understood that ~~the~~ Government will actively pursue the question of importing plants as the first step in the scheme of expansion.

On the question of finance, the Committee suggested that a corporation should be set up, Government subscribing 51 per cent and throwing the remaining 49 per cent open to public subscription. The industry should be guaranteed a suitable minimum interest and the management vested in the hands of a Board of Directors with a majority of non-official public men. This proposal seems to have commended itself to a majority of members of the Committee. It was felt that a complete geological survey to ascertain the quality and quantity of gypsum available at various places should be undertaken; expert advice should be made available to industrialists in regard to capital and recurring cost, cost of production, etc. ~~The~~ Government should obtain the necessary plant without delay and prevent competition, particularly from outside the country. Among other forms of Government assistance suggested were facilities for cheap railway transport and a Government guarantee ~~for~~ for the offtake of the entire production for a minimum period of five years.

(The Hindu, 2, and 13-10-43). +



Indian Cotton Statistics:  
Annual Report of Indian Central Cotton Committee for 1941-42\* ✓

The following details regarding cotton statistics for India are taken from the Annual Report for the year ended 31st August, 1942, issued by the Indian Central Cotton Committee. Constituted by the Government of India in 1921, the Committee was originally purely an advisory body. With its incorporation under the Indian Cotton Cess Act in 1923, however, it became an administrative body having at its disposal funds for the improvement and development of the growing, marketing and manufacture of cotton in India. The funds of the Committee are derived from the cotton cess of two annas (four annas for the first three years) levied on every bale of Indian cotton exported from or consumed in mills in British India, on the principle that special expenditure for the benefit of a particular industry should be met by that industry. The funds at the disposal of the Committee are allotted for research into cotton problems mainly of all-India importance and for the development, extension and marketing of improved varieties of cotton. The aim has always been to supplement and not supplant the work of the Agricultural Department in cotton growing provinces and Indian States and, though, as a matter of convenience, certain lines of demarcation have been laid down regarding investigations which the Committee considers most appropriate for its own work, the general policy is to give assistance in the direction where it is most needed in the carrying out of a co-ordinated policy of cotton improvement. Touch is maintained with the work done under the various schemes by means of annual progress reports submitted by the officers in charge of schemes; these reports are critically examined by the appropriate sub-committees and suggestions made for the future conduct of the work.

Measures to meet War Situation: Loss of Markets.- The Central Cotton Committee met twice during the year under review. The most important subject which received consideration at the first meeting held on 23 and 24-1-1942, was the question of the measures that should be taken to safeguard the position of Indian cotton in view of the loss of markets in Europe and the Far East as a result of the war. The following resolution was unanimously passed by the Committee:- "In view of the necessity and urgency of avoiding any further glutting of the Indian cotton market with short and fair staple cotton hereafter, the sources of which have been cut off from the Indian market owing to the

Indian Central Cotton Committee. Annual Report for the Season 1941-42. British India Press, Bombay. pp.103.



Indian Cotton Situation in 1941-42: Difficulties of disposal of short staple cotton. - The Indian cotton position at the commencement of the season was overshadowed by the impending loss of the Far Eastern markets, consequent upon the freezing of Japanese assets towards the close of the last season. With the entry of Japan into the War in December 1941, the problem of short staple cotton became a live issue. During the three years ending August 1939, the annual exports to Japan averaged some 1.5 million bales, most of which consisted of short staple cotton. The sudden closure of this outlet made the disposal of this type of cotton a problem of the first magnitude. Various remedies were suggested to deal with the situation, such as the lowering of the specifications of goods required by the Supply Department, the use of short staple cotton for the manufacture of uniforms, blankets, nitro-cellulose, cloth for road-making, ditch and fly-lining, etc. The possibility of giving chemical finishes to short staple cotton yarns and fabrics was also suggested. The acceptance by the Government of India of the Committee's recommendations regarding relaxation of the specifications of cotton goods required by the Supply Department resulted in an offtake of 400,000 bales of short staple cotton, but this merely touched the fringe of the problem. The wider aspect of the question of adjusting the supply of short staple cotton to probable demand was discussed at some length by the Committee at its meeting in January 1942, when a resolution was unanimously passed recommending inter alia that the Government of India should request all Provincial Governments and States in India to reduce the existing acreage under short staple cotton forthwith by at least 50 per cent.

Change-over from Short Staple Cotton to Food Crops. - On 29-1-1942, the Government of India announced the creation of a special fund, called "Cotton Fund", from the proceeds of the levy of an additional duty of one anna per lb. on all imported cotton, with a view to financing measures for assisting the grower of certain types of cotton which used to be exported in large quantities to the Far East prior to the outbreak of war with Japan. The object of this measure was not merely to steady the market by making purchases of raw cotton of the types concerned, but also to assist the cultivator to change over from short staple cotton to food crops. A "Grow More Food" campaign was started on a country-wide scale, and the cultivator was advised to reduce the area under short staple cotton and grow food grains instead. These measures, together with the announcement by the Government of Bombay of their intention to stop all shipments for the movement of unwanted short staple cotton to Bombay and its replacement with Fine Jarila 3/4" staple as the basis, were largely responsible for bringing about a reduction in the production of short staple cotton. In the first all-India cotton forecast

Statistical Position. - As regards the statistical position of short staple cotton, the season started with a carryover of 1.2 million bales (400 lbs. net each) with the trade, excluding the spinning mills. The total crop of 1941-42, on the basis of cotton pressed and unpressed and consumed in mills amounted to 6.5 million bales (excluding extra-factory consumption of 450,000 bales), of which 3.13 millions were estimated to have been of staple length 7/8" and above. The consumption of Indian cotton by mills, amounting to 4.03 million bales, constituted a new record, being 410,000 bales higher than in the previous season. The receipt at mills of Indian cotton on the basis of voluntary returns, amounted to 4.08 million bales (400 lbs. net each). The actual receipts, however, were estimated to have been some 4.3 million bales, including 1 million bales below 7/8" in staple. With the loss of the continental and Japanese markets for Indian cotton, the only important export outlets were the United Kingdom, U.S.A. and Australia. The total exports during the season amounted to 870,000 bales including 510,000 bales below 7/8" in staple. On the basis of the figures of actual production,

mill consumption and exports, the calculated carryover of Indian cotton with the trade, excluding spinning mills, at the end of the season, works out to 2.53 million bales.

Demand for Indian Cotton.- Receipts at mills of Indian cotton, during the season, were nearly the same as in the previous year, while exports showed a shrinkage of about 1.2 million bales. The reduction of 440,000 bales under export of long and medium staple cotton was to some extent offset by the increase of 200,000 bales in the offtake of such cotton by mills. Under short staple cotton both exports and mills receipts recorded decreases by 760,000 and 240,000 bales respectively.

Stocks.- Stocks of Indian cotton held in India by the trade at the end of the season 1941-42, on the basis of voluntary returns, amounted to 1.49 million bales, showing an increase of 270,000 bales on the previous year. The figures of stocks of cotton held by the trade do not cover certain areas, while the information collected for some of the other areas is not complete. It is considered that the figure of 1.49 million bales is very low, as on the basis of the figures of actual crop exports, mill receipts, etc., the carryover on the same date is estimated at some 2.59 million bales; one important cotton firm, in fact, puts the figure as high as 2.9 million bales. The discrepancy has been examined and is accounted for mainly by the incompleteness of the figures for certain provinces.

Cotton Consumption Statistics.- The total consumption of Indian cotton in mills in India during the season under report, viz., 4,025,232 bales, showed an increase of 408,085 bales as compared with the previous season, and constitutes yet another record. Bombay Province alone accounted for about 45 per cent. of the increased consumption. All the Provinces in British India except Bengal recorded increases. Indian States shared 17 per cent. of the increased consumption which was mainly in Hyderabad, Mysore and Indore States.

Exports.- The exports of Indian cotton from British India during the season totalled 873,000 bales against 2,013,000 bales in 1940-41. On the average of the three financial years ending 1940-41, the value of cotton (including waste) exported from British India formed 36 per cent. of the total value of "Raw materials and produce and articles mainly unmanufactured" exported, and 14 per cent. of the total value of all merchandise exported.

Pressed Cotton.- During the season under review, 4,207,681 bales of cotton were pressed in British India and, 1,729,102 bales in Indian States, making a total of 5,936,783 bales for all-India; the corresponding figures for 1940-41 were 4,195,719, 1,779,554 and 5,975,273 bales, respectively. For India as a whole, the average net weight per bale of cotton pressed during the season under report amounted to 391 lbs., against 392 lbs. in the previous season.

Unpressed Cotton.- The statistics of cotton pressed do not account for the whole of the Indian cotton crop, as, apart from the quantity utilised for extra-factory consumption, chiefly in the form of kapas, mills situated in cotton growing areas often use considerable quantities of ginned unpressed cotton. During the year, 562,053 bales of unpressed cotton were consumed in mills in India against 523,001 bales during the preceding year.

Ginned Cotton.- The figures of cotton pressed do not cover the entire crop, as, apart from ginned unpressed cotton consumed in spinning mills for which figures are available, both ginned unpressed cotton and kapas are also utilised for domestic purposes, such as, hand-spinning, making of quilts, mattresses, etc., for which there are no reliable data. ✓

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SOCIAL INSURANCE.

Amendment of the Workmen's Compensation Act:  
Views of Millowners' Association, Bombay.

Reference was made at page 1 of our July 1942 report to the Draft Bill prepared by the Government of India to amend the Workmen's Compensation Act so as (i) to regulate deductions from final compensation payable to dependants of deceased workmen and (ii) to define how average monthly wages are to be calculated for purposes of Sec.5 of the Act.

The Committee of the Millowners' Association, Bombay, in expressing its views on the provisions of the Draft Bill, pointed out the proposed amendment to section 8 (i) of the Act, would entitle the dependents of a deceased worker to a statutory minimum of not less than 20 months' wages of the deceased, ~~whereas the injured operative~~ because according to Schedule IV of the Act, the amount of compensation ranged between Rs. 500 and Rs. 4,000 according to different wage groups, and this worked out approximately at 30 months' wages of the deceased worker. Thus, if the injured operative, when he was alive, had received more than 10 months' wages by way of half-monthly compensation, such excess amount could not be deducted from the amount which would be payable to his dependents after his death. As under the Act only half the monthly average wages were to be paid to the operative during the period of disablement, the 10 months' wages referred to above would be paid to him in the course of 20 months. ~~from the date of the incident~~ Death due to an injury by an accident was not likely to occur after 20 months from the date of the incident and, therefore, the chances of an employer paying by way of half-monthly compensation more than the permissible deduction were remote. However certain occupational diseases like anthrax, lead poisoning, phosphorus poisoning, etc., which were treated as accidental injuries under the Act, might cause temporary disablement for a considerably long time and thereafter result in death. In such cases, the employer or insurance company would certainly have paid a large amount by way of half-monthly compensation before the death of the operative, and if the permissible deduction was to be limited, it might be necessary and advisable for those responsible for payment of compensation to restrict the payment of half-monthly compensation, so that the insurer might not be out of pocket in the event of death of the operative. It was also pointed out that the amendment might lead to another anomaly. For instance, an operative whose claim had been settled for permanent disablement might die some time later, and in this case, if death was attributed to the permanent disablement, the employer or the insurer might ~~have to pay again for death~~, whereas with the Act as it stands at present, a set-off for the amount paid before death could be claimed from the amount payable for death.

~~amendment~~  
Government's proposals were therefore neither fair nor equitable to the employer, and the Committee opposed the amendment as drafted, but stated that they were prepared to take a sympathetic view of the whole case if Government would limit the compensation payable to the dependents in the event of death of the workman to Rs. 300 or the difference between the amount payable for death and the amount actually paid to the worker during his lifetime, whichever was higher.

The Committee stated that they had no comments to offer on the proposed amendment of section 5(c) of the Act.

(The Annual Report of the Millowners' Association, Bombay, for 1942, Pages 96-98)

Housing Facilities for Durban Indians:  
City Council's £ 40 million post-war  
Development Scheme.

Large - scale plans for providing better housing facilities for Indians in the Durban area are reported to be included in the £ 40 million programme of post-war development which has been approved by the Durban City Council recently. The scheme, according to Reuter's Durban Correspondent, provides for an up-to-date township which will be set aside for Indians in their own environment. There will be no legal compulsion for Indians to live in the area. The programme also provides for building 1,600 houses for Indians in Durban and 2,000 at Duffersroad, outside the municipal area, at a cost of about £ 1,000 per house. It also provides for the erection of a further number of smaller houses at a cost of £ 620 to £ 690 per house.

(The Bombay Chronicle 7-10-43).+

Ceylon Government Regulation to prevent  
Illicit Immigration.

With a view to check the immigration, in contravention of the provisions of the Indian Emigration Act, of skilled and unskilled labourers from the southern districts of Madras, the Government of Ceylon has issued a new defence regulation (Regulation No. 23-A) to the effect that no person coming by sea from places outside Ceylon ~~immigrants~~ shall enter Ceylon except at certain specified places. Anyone entering Ceylon in contravention of the order is liable to imprisonment for a term not exceeding five years or to a fine not exceeding Rs. 10,000 or to both. The master of a vessel or the pilot of an aircraft by means of which any person enters Ceylon in contravention of the order shall be deemed to have abetted the offence and will be liable to be punished in the same manner, unless he proves that he has exercised all due diligence to prevent such contravention.

(Press Note dated 4-10-43 issued by the Government of Madras, and The Hindustan Times 5-10-43).+

Disabilities of South African Indians:  
Evidence before the National Health  
Services Commission, South Africa.

Giving evidence before the National Health Services Commission set up by the Government of the Union of South Africa (the commission which was recently appointed by the Government to survey the health needs of the Union both rural and urban, has put forward concrete plans for modification of the State medical services), The Natal University College, in its memorandum, stated that the rate of the growth of the European population in Natal was the lowest in the Union, while the Indian birth-rate was almost twice as high (37 per thousand of Indian birth-rate, against 20 per thousand, of European). The practical consequence of this, in the absence of adequate health services, education and opportunity for employment, was that the poverty-stricken, undernourished mass of 300,000 Indians would have to be largely supported by the European minority. The memorandum suggested that the problem could not

be met by family allowances because they cost more than a quarter of the whole national income. It proposed investigation of the question of reorganizing farming on a more economical basis to produce more protective foods and better education of consumers in food values. The memorandum pointed out that since 1904 the proportion of Indians engaged in agriculture had fallen from 50 per cent to 18 per cent; in industry there had been an increase from 6 per cent to 12 per cent and in commerce from 6 per cent to 8 per cent.

The disabilities of the Indians in the Union were put before the Commission by a deputation from the Indian Social Welfare Association, which pointed out that although during the last ten years there was vast improvement in the living conditions in Johannesburg as the result of the work of the Municipal Public Health Department, further improvement was hampered by a "shocking lack of proper housing for Indians, tight restrictions hedging their lives and lack of proper educational facilities". The Association suggested that if the Indians were to develop as a community it was essential that they should be recognized as an integral part of the South African population, and should be given all chances of development open to other communities. At present there were too many restrictions on avenues of employment; Indians were more hemmed in by restrictive legislation than any other section of the people. The Association called for wards in hospitals for Indian patients with sufficient free accommodation on an adequate scale, provision for treatment of outpatients, home nursing and other medical services.

(The Hindustan Times, dated  
15-10-43).+

Conditions of Indian Emigrants in the  
British Empire in 1942-43.\*

The following <sup>information</sup> ~~details relating to Indians in the different parts of the British Empire during the year 1942-43~~, is taken from the "Review of Important Events relating to or affecting Indians in different parts of the British Empire" recently published by the Department of Indians Overseas, Government of India. (The report for the previous year was reviewed at pages 15-21 of our January, 1943, report).

South Africa:

The Second Broome Commission Inquiry.— Towards the end of 1942 the Durban City Council represented to the Minister for Interior, the Union Government, that Indian penetration into areas in Durban which had been found to be predominantly European by the previous Broome Commission had increased since 1-10-1940 (the previous Commission covered the period from 1-1-1927 to 30-9-1940). Justice F.N. Broome was once again appointed to inquire into the extent of acquisition of immovable property in the areas by Indians, including companies with predominantly Indian Directorates. This time the Commission was not called upon to investigate into the reasons for penetration. The Natal Indian Association and the Natal Indian Congress both protested against this restriction in the terms of reference of the proposed Commission and the Natal Indian Association withdrew from the inquiry. The report of the Commission covered the period from 1-10-1940 to 28-2-1943. The inquiry was concluded on 19-3-1943.

\*Review of Important Events Relating To or Affecting Indians in Different Parts of the British Empire During the year 1942-43, issued by the Government of India (Indians Overseas Department) pages, 22.



The main features of the Commission's findings were - (1) ~~that~~ the number of ~~sites~~ acquired by Indians during 1942 was 195 as against 78 in 1939 (the highest for any year covered by the previous Commission); and (2) during the first two months of 1943, Indians paid more for sites in European areas than during any complete year dealt with by the previous Commission and the amount so paid by Indians during the 29 months covered by the present Commission did not fall far short of the amount paid by them during the 13 years covered by the previous Commission. Mr. Justice Broome informally observed that accelerated penetration may have been due to - (1) a mistaken impression both among Europeans and Indians that the previous Commission had established that there had been no penetration; (2) the fact that Indians were anxious to pass through while the door was still ajar; (3) the fact that War conditions had left no other avenue of investment of a non-interest bearing nature. Indians contended that they had purchased property in European areas, firstly because they were within their rights to do so, secondly because there was no other avenue of investment open to them, and thirdly because the Durban City Council had grossly neglected housing and civic amenities in Indian areas. The Minister for Interior pointed out that the reason about housing and civic amenities had not been substantiated by facts as the majority of houses acquired by Indians were still in European occupation. It would appear that towards the end of the period covered by the Commission, Indian penetration was accelerated by rumours of a 'pegging' bill being in the offing.

Extension of the Asiatic (Transvaal Land and Trading) Act to Natal. - Early in February 1943 indications were received that the Union Government proposed to renew the Asiatic (Transvaal Land and Trading) Act which was due to expire on 1-5-1943. The Government of India made a strong representation to the Union Government pointing out that, in view of the Broome Commission's findings, a renewal of the Act would have no justification, especially in view of the fact that the period of the Commission's investigations covered a period of twelve years when the Act ~~was in force~~ was non-existent. It was pointed out that the Act was discriminatory, and that the Government of India were opposed to its continuance and considered that it should be allowed to lapse in the best interests of India and South Africa. Every further renewal of the Act made it appear less and less a temporary measure. The Union Government, on the other hand, argued that the Act had been fairly and liberally administered and had improved relations between Indians and Europeans in the Transvaal by removing the danger of uncontrolled Indian expansion. On 7-4-43, however, it was announced in the senate that the Union Government would introduce a bill on 10-4-43 renewing sections 2 and 3 of the Asiatic (Transvaal Land & Trading) Act until 31-3-1946. The same bill contained 'pegging' provisions for Natal. The provisions for Natal were to apply to the Municipal area of Durban from 22-3-1943 and, if found necessary, were to be extended to other parts of Natal by proclamation after a Commission, specially appointed for the purpose, had reported. This bill ~~was~~ introduced without giving the Government of India an opportunity to comment on it. Strong protest was lodged by the Government of India. It was pointed out that while the Government of India were always willing to explore and give all support to any scheme to assist voluntary restriction of purchases of property likely to lead to racial feeling, the introduction of the proposed bill was a matter of deep concern to them and that the bill would be strongly resented by Indians every where. It was also pointed out that the Union Government would be going back on their intention, expressed in 1939, not to proceed with legislation likely to raise controversial racial issues, during the course of the

War



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War, and that the present was a most inopportune moment for taking up a measure of such nature. The Union Government, while expressing their desire to remove racial ill-feeling, stated that the extent of 'penetration' in Durban revealed by the report of the Second Broome Commission had forced their hands. ~~Despite these protests~~ Two more representations were made urging that the difficulties could be met without restrictive legislation and by administrative arrangements designed to give full publicity to any transaction which might be regarded as undesirable and bringing the pressure of public opinion to bear upon the seller and purchaser alike. Despite these protests, the Union bill, called the Trading & Occupation of Land (Transvaal & Natal) Restriction Act, 1943, passed its third reading in the Senate on 27-4-1943.

Riverside Scheme Abandoned.— Early in 1941, the Durban City Council proposed to put into effect, a housing scheme which popularly came to be known as the 'Riverside' Scheme. Under the scheme Indians were to be removed from Riverside, a ridge overlooking the Umgeni river, Prospect Hill, a long established Indian suburb between the European suburb of Durban North and the sea, and from the bulk of the Sydenham area to the low-lying Merebank Wentworth area. The Durban City Council stated that the proposed acquisition formed a part of an eight-year housing scheme costing £ 5½ million and involving the erection of 3,350 sub-economic and 5,124 economic houses, including over £ 2 million to be spent on Indian housing in Springfield and Merebank Wentworth areas. To this proposal it was objected that it was aimed at ousting Indians from the better residential areas. In February 1942, the Minister of Interior deputed the Central Housing Board to visit Durban and to suggest modifications to the original scheme so as to meet the Indian objection. The Board recommended that the entire Riverside be acquired but not solely for the benefit of the Europeans, and that 600 plots be set aside for Indian housing. This did not satisfy the Indian community. It was not indicated on which side the plots for Indians would lie and there was, therefore, the suspicion that Indians would be pushed off to the less desirable part of the locality. In the meantime, the High Commissioner had been urging the Minister that it would not be desirable to push on with the scheme during war time as it was bound to create racial strife. The Riverside scheme was finally shelved in October 1942, but, later it was understood that it has again been revived by the Durban City Council.

Extension of Period of Sojourn of Indians Visiting India.— During 1940, the Minister for Interior agreed to the extension of the validity of certificates of Indians visiting India beyond the three-year period, provided satisfactory evidence was produced that the reason for their failure to return to South Africa was the difficulty of obtaining passages. In August, 1942, owing to the change in the war situation and the increasing dangers attending the voyage between South Africa and India, the Union Government agreed to accept any reason arising out of conditions brought about by the war for a condonation of an extension beyond the three-year period, provided application was made in time.

#### East Africa:

Agreement Regarding Import of Piece Goods from India.— In October 1942 the Governments of Uganda and Kenya accepted the recommendation of the East Africa Civil Supplies Board that a single organisation should be vested with monopoly rights for the import of certain classes of piecegoods. It was proposed that a Corporation be formed, the members of which should be selected from previous importers and others approved by the Governments concerned, to be the sole importers of piece-goods

from India. But since it was feared that the formation of the Corporation would seriously jeopardize the interests of the Indian exporter in India and the Indian importer in East Africa, the Government of India strongly opposed the idea of diverting export of piece-goods from India from the established channels, and took up the matter with the Governor's Conference, Nairobi. Later, a Delegation of the East African Governments came to India and an agreement was reached between them and the East Africa Shippers Association providing for the establishment of panels of bonafide textile merchants to advise the East African Governments on the import of textile goods from India and also for the registration of the prices at which deals are closed at Bombay.

#### Aden:

Restrictions on Immigration.—The restrictions on immigration into Aden continued to be in operation except that they were relaxed to the extent of permitting "new comers" to bring their wives and children with them. In answer to an enquiry by the Government of India, the Government of Aden have informed them that the restrictions applied equally to all foreigners in civilian occupation, but that the entry of wives and children of British Service Personnel is governed by service considerations and war-time needs. The Government of Aden also enacted an immigration Ordinance to control the entry into Aden of certain "prohibited" and destitute immigrants of the category of paupers, lunatics and criminals.

Canada.— Permanent Indian residents, like all permanent British subjects resident in Canada, are liable for military service. But certain individual Indians ~~xxx~~ have protested against this and representations were received by the Government of India <sup>there</sup> on behalf ~~of their~~ and asking for their assistance in the matter of securing exemption from military service in Canada on the ground that Indians there ~~had~~ <sup>had not</sup> been granted full citizenship rights by the Dominion Government. The Government of India had, however, already taken up the question, through His Majesty's Government, of the enfranchisement of the Indians in British Columbia.

#### Ceylon:

Relaxation of Ban on emigration of Unskilled Labour to Ceylon.— The ban on the emigration from India of unskilled labourers to Ceylon continued to be in force throughout the year; but as from 1-9-1942, the Government of India relaxed it to the extent of permitting labourers already in Ceylon to return to the Island after visits to India. To prevent a sudden and large exodus of labourers from the plantations, employers have been regulating the grant of leave to labourers so as always to keep a sufficient number in the Island to maintain the production of rubber and tea at a level necessary for war needs. In order further to relieve the hardship caused by the "separation of families" the Government of India ordered the exemption from the operation of the ban ~~on~~ wives, including "new brides" and minor children, of all unskilled labourers who were in Ceylon or who might be permitted to proceed from India to Ceylon by any special or general order of exemption.

Negotiations for more Labour from India.— By the end of 1942 shortage of labour began to be felt in the rubber plantations. Rubber production required further intensification as a result of the loss of Malaya and the adjoining areas and "slaughter tapping" of some areas

was resorted to. This created a further and acute demand for rubber tappers. As a result of repeated representations to the Ceylon Government by the Planing community that additional labour from India was necessary, the Governor of Ceylon addressed the Government of India pointing out the necessity, from the point of view of the war effort, for the most intensive rubber tapping possible and enquiring whether the Government of India, notwithstanding their ban on emigration, would consider the special recruitment of labour to meet the war emergency on the following terms:- (a) pay and conditions of employment identical with those of other Indian labour; (b) repatriation to India at the end of the war or other period stipulated by agreement. The latter condition was unacceptable to the Government of India. They were also of the view that the emigration of fresh labour from India could not be permitted unless the two Governments could first arrive at an agreement on some of the fundamental principles which should form the basis of postwar Indo-Ceylon negotiations. They accordingly placed before the Ceylon Government a draft of these fundamental principles. The proposals of the Government of India were, however, unacceptable to the Government of Ceylon who later informed the Government of India that they hoped to obtain sufficient labour locally to achieve the maximum output of rubber. The negotiations thus came to an end.

Labour conditions on Estates.- Various measures were taken during the year to ensure the continuous and efficient functioning of essential services. An order entitled "Essential Services" (Avoidance of strikes and lock-outs) Order, 1942, was issued under the emergency powers of the Governor on 19-3-1942. On 17-4-1942, various services, including tea and rubber industries, were declared "essential". The effect of this order is that no person can incite, or continue or participate in, a strike or lock-out in any of the essential services and the employers and the employees alike have an obligation to apprise the Controller of Labour of all trade disputes. Employers are further prohibited from employing persons in essential services except on "recognised terms and conditions of employment".

On 29-8-1942, an order was passed under the Defence Regulations prohibiting the holding of public meetings within certain specified areas except with the previous permission of the Minister of Home Affairs. Later, as a result of protests by the public and in the State Council, certain categories of meetings were exempted from the order, but not meetings relating to labour convened at the instance of trade unions. The general attitude of the planters in regard to the entry into estates of labour leaders remained the same as in the previous year. These tended to suppress trade union activities, although conferences under the Seven Point Agreement continued to be held. There were no strikes of any magnitude or importance during the year under report.

Wages and Food supply to Plantation Labour.- No wages boards or district wages committees were constituted under the Wages Boards Ordinance during the period. Notifications were issued applying the provisions of Part II of the Ordinance to the tea and rubber industries and the coconut, plumbago, painting and engineering trades. By a notification published in the Gazette of Ceylon, dated 31-3-1942, the increase in the basic minimum wages already approved by the Board of Indian Immigrant Labour, came into legal force on 1-5-1942. The following were the rates in cents:-

	Men	Women	Children
Up-country	57	46	35
Mid-country	55	44	43
Low-country	53	43	33

With issue price of rice not exceeding Rs. 4-8-0 per bushel together with a "dearness allowance" for each labourer (based on the cost of living index number for Indian labourers ascertained by the Department of Labour) of such amount each working day as may be fixed by the Controller of Labour by notification published in the Gazette. The Board of Indian Immigrant Labour generally approved of the scheme of dearness allowance and decided that it should be paid in the proportion of 5 : 5 : 3 for men, women and children. The scheme came into legal force from 1-5-1942. In August 1942, owing to frequent changes in the food ~~ration~~ ration, it was decided and notified in the Gazette that all rice would be sold to labourers at a controlled price and the dearness allowance would be adjusted accordingly.

The position in regard to the supply of foodstuffs to estate labourers deteriorated considerably during the year. The differential system of rationing which was accepted in principle by the Government of Ceylon, came into force on and from 20-7-1942 with a basic ration of  $1\frac{1}{2}$  measures of rice per week, one-third of the ration being compulsorily issued in paddy wherever available. The General Committee of the Planters' Association recommended that there should be four issues of rice per month to labourers on estates, with or without other food grains, each issue representing 4, 3 and 2 measures of rice for men, women and children and 2 measures of substitute food grains being treated as equivalent to 1 measure of rice. Though most of the bigger estates with large built-up stocks of rice were able to conform to these instructions without difficulty, there were many estates which were not able to make the issues on this scale. Wheat and wheat flour were subsequently declared to be substitutes for rice and in September Kurakkan was included in the scheme of rationing, 1 measure of Kurakkan being equivalent to 1 measure of rice. This had a prejudicial effect on the total issued to estate labourers, and representations were made without any success. More and more estates had gradually to adopt the ratio fixed by the Government in issuing foodstuffs to their labourers. The general unsatisfactory food position in the Island necessitated the promulgation of the Defence (Purchase of Foodstuffs) Regulations which were issued early in September prohibiting all persons maintaining an adequate supply of food for over a period of 2 months, from drawing on their ration-cards until the stocks went below that level. These regulations were actually ~~supp~~ applied to the estates only in November when the general basic ration was increased from  $1\frac{1}{2}$  to 2 measures of rice. This had the effect of curtailing the period during which the employers could issue to their labour force larger quantities of food articles than was obligatory under the rationing scheme. The Planters' Association, however, reiterated its recommendation for the issue to estate labourers of food articles equivalent to 4 cut measures for men, 3 cut measures for women, 2 cut measures for working children and 1 cut measure for each non-working child per week, but with the modification that all cereals should be treated as equivalent to rice, measure for measure. The quantity of rice to be issued to labourers was at the same time restricted to the level of the Government ration. It was recognised everywhere that the estate population which was accustomed to a principal rice diet had been hard hit by the rationing scheme, but nothing could be done to improve the position especially when the agreed limit of export of rice from India to Ceylon had fallen from 38,000 tons to 12,000 tons per month during the year. From the 4-1-1943 only a fourth of the Government ration was issued in the form of rice. The Agent of the Government of India was closely watching the situation and was in

constant touch with the authorities. As a result of his representations, it was decided in the last week of February 1943 to authorise the issue by estates of free mid-morning meals to labourers on a voluntary basis. The Civil Defence Commissioner promised to supply outside the ration one and a half pounds of wheat flour per head per week for the purpose. Later it was understood that the scheme applied primarily to rubber estates though there was nothing to prevent the tea estates from following suit, if the superintendents chose to do so.

**App** Appointment of Representative of Ceylon Government in India.— In December 1942, Sir Baron Jayatilaka was appointed the first Special Representative of the Government of Ceylon in India. The functions of the Special Representative are to secure and maintain adequate food supplies for Ceylon from India and to improve relations between the two countries.

Control of Textile Trade.— In September 1942, the Ceylon Government set up a Department for the control of textiles and appointed a Controller who drafted a scheme for the licensing of all importers and dealers, wholesale and retail. Some reduction in the number of merchants in the trade was contemplated on the plea that India now being virtually the only source of supply for textiles and in view of the quota restrictions, the volume of imports into the Island would be substantially diminished. It was proposed to effect this reduction by issuing licences only to those who were bona-fide dealers on 1-7-1941 and were carrying on business as such on ~~the~~ 1-10-1942. This proposal, if adopted, would have thrown out of business all the Indians who had closed their business soon after the Easter air raids over Colombo and returned to India and also those traders who had started their business for the first time after April 1942. Representations were made by various textile Merchants' Associations and the Government of India also addressed a telegram to the Governor of Ceylon seeking an assurance that the Controller will exercise his discretion to refuse licences ~~only~~ only for normally accepted reasons like infringement of the Regulations, fraud or persistent failure to use licences granted and the like, without reference to the traders' conduct in relation to evacuation after the April bombing. After considering these representations, the Board of Ministers finally decided to license all traders who were in business in the first week of January, 1943, and the regulations were accordingly gazetted on ~~the~~ 19-3-43.

West Indies. Constitutional changes of a far-reaching nature, based on adult suffrage, were announced in respect of Jamaica by the Secretary of State for colonies in February 1943. But since it was felt that the Indian community in the Island numbering only about 18,000 (1.5 per cent of the total population) and largely uneducated, impoverished and scattered widely over the area was not numerically strong enough or sufficiently organised in any electoral area to succeed in returning its own representatives <sup>to</sup> either House of the legislature, The Government of India made a representation to His Majesty's Government strongly urging that provision should be made (a) for one East Indian always to be nominated to the legislative Council, and (b) that at least one seat in the Legislative Assembly be reserved for East Indians. The result of the representation is still awaited.

Far Eastern War-Zone.— Switzerland continued to be the ~~protecting~~ protecting power in charge of British interests in Japan, Japanese-occupied China, French Indo-China and Siam. The Japanese Government have not yet agreed to the appointment of a protecting power in the territories of

the United Nations occupied by Japan.

Welfare of Indians in Japanese-Occupied Territories.— Besides the facilities already mentioned in the previous year's review for affording relief to Indians stranded in enemy-occupied territories, bulk supplies of foodstuffs, medical drugs and clothing have been sent during the year through the agency of the Red Cross to Singapore and Hong Kong. A long-range policy for organising relief to Indians in enemy-occupied territories in the Far East is under consideration by the Government of India. The welfare of prisoners of war has been somewhat improved by the arrival of British, Dominion, and Indian Red Cross supplies, but drastic restrictions imposed by the Japanese Government on visits to these camps and limits imposed on correspondence caused very little information about them to filter through. Out of a total number of 7,480 enquiries regarding the whereabouts of British Civilian subjects in Japanese occupied territories, information has been received on about 1023. Facilities for postal communication with prisoners of war and civilian internees in Japanese hands have been extended to all British civilians in Japan and Japanese-occupied territories and the procedure to be followed in sending such communication has been given wide publicity throughout India. As the result of an agreement reached between the British and the Japanese Governments for the repatriation of their nationals, about 125 Indians were repatriated to India from Japanese occupied territories towards the end of October 1942. The Government of India made arrangements for the reception and dispersal of the repatriates, giving accommodation, cash advances and railway fares to destination within India, wherever necessary.

Facilities for Evacuees: Revised scale of Advances: Appointment of Refugee Officers, etc.— Arrangement made by the Government of India in respect of the evacuation of Indian civilians in Burma helped about 500,000 Indians (nearly 50 per cent of the estimated population in Burma) in reaching India. The scale of maintenance advances granted earlier to evacuees and families whose breadwinners were stranded in enemy-occupied territories was revised as it was felt that this scale which was designed mainly for the Indian artisan class and was lower than that approved for Europeans, was unsuited to the varying requirements of the different classes of evacuees who began to arrive in India from Malaya and Burma. A new scheme was therefore sanctioned with effect from July 1942 applicable to all evacuees without distinction of race and based solely on the pre-evacuee status of the persons concerned. Under the revised scheme, the principle of regarding all allowances granted to evacuees or "dependants" as repayable, has been retained and grants are made only against undertakings to repay. It is estimated that during the year 1942-43 nearly 50,000 evacuees and "dependants" were in receipt of relief and the amount disbursed was nearly Rs. 7 million. Further, Refugee Officers have been appointed for the four zones (Northern, Eastern, Southern and Western India) whose duty it would be to pay particular regard to bringing to the notice of evacuees all avenues of employment by putting them in touch with prospective employers, employment registry agencies, National Service Labour Tribunals, Army recruiting authorities and the like. As the bulk of evacuees in India are from Burma, the Government of Burma have also appointed their own officers as Evacuee Welfare Officers to the zones corresponding to those of the Government of India Officers.

Measures have also been taken for giving assistance to the employee

employees of the Governments of Hong-Kong, British North Borneo and Sarawak and the Shanghai Municipality who were in India at the outbreak of hostilities with Japan, and to the dependants in India of those of whom stranded in the Japanese Occupied territories.

Burma Evacuees.— The Burma Government began functioning in India in May 1942. Most of the offices have been opened. Employees of the Government who have already arrived in India and dependants of those still in Burma are being paid advances for maintenance. Some of ~~employees~~ employees have already been re-employed by the Government itself. Those still un-employed are placed by Government order on 'surplus leave' conditions under which they have been granted leave on full average pay followed by eight months leave on half average pay. This order took effect from ~~the~~ 10-4-1942, for those already on ~~Burma~~ leave in India and from the date of arrival here of those who evacuated from Burma. The periods of half-pay leave have been extended upto 31-5-1943 and a revised scheme has been sanctioned after that date. This does not apply to Burma Railway employees. As regards quasi-Government bodies, the Burma Government have assumed responsibility for claims against some of them, including the University of Rangoon, the Rangoon Port Trust Commissioners, The Rangoon Corporation, and Government managed schools. As regards other local bodies, the Government of Burma have not accepted liability for payment of claims relating to leave, leave salary and arrears of pay, but the withdrawals of their provident fund balances by the employees will be considered by Administrators for local bodies. The Government of Burma have however authorised the grant of necessary relief, without undertakings to repay, to local body employees in India, and to dependants of those left behind in Burma, relief being restricted to needy cases.. To look after the interests and welfare of the evacuees from Burma, the Burma Government has set up an Evacuee Welfare Department. The reconstruction of Burma after reconquest is also engaging the serious attention of the Government.

Some of the other evacuee relief measures that have been adopted are: protection of orphan evacuees; ~~provision~~ provision of special facilities for the education, whether in schools, colleges, or technical institutions, of student evacuees; encouragement of non-official relief organisations and the provision of employment facilities..

Consumers' Cooperative Stores in Assam:  
Government's suggestion for Improvement.

In a press note issued on 12-10-43, by the Publicity Officer, Government of Assam, it is pointed out that more than 150 consumer's co-operative stores have been registered in the province since the Assam Government launched its co-operative stores campaign six months ago and that the number of applications for registration is increasing daily. It is however stressed that progress at a faster pace had been hindered by: (a) lack of adequate organising staff, (b) lack of adequate sympathy on the part of some local authorities, and (c) high price of shares issued by cooperative stores.

More Inspectors to be Appointed: Plea for better public cooperation. Dealing with measures to redress the situation, the note points out that Government proposes to appoint an additional staff of Co-operative Inspectors to supplement the work of the supply staff. As for the conservative and suspicious attitude of some of the local authorities, it is suggested that it will be for those who have faith in the co-operative movement and are interested in it to convince those in authority of the usefulness of the stores by associating with them more actively and prove that cooperation is not a mere temporary device for obtaining privileges during difficult times. Even within the narrow scope of its present activities, the consumers' co-operative movement has done useful work and proved its worth as a weapon against profiteering, black marketing and other causes of the inequitable distribution of commodities. Realising this, it is stated, Government has decided to offer the maximum possible help for the furtherance of the movements.

Lower-valued shares to be issued.— In regard to the objection that the prices fixed for shares are too high for the poorer classes, the press note says, "The exclusion of the poorer sections of the public from the benefits of co-operation is probably due to an unsympathetic interpretation of the rules and bye-laws. These admit of shares of any value not lower than eight annas each, but generally shares of higher denominations, mostly Rs. 10 shares, only are issued. Again, the bye-laws of a society can be framed so as to allow payment to be made in any reasonable number of instalments, say from two to twelve. Thus poor people can either have their own separate stores in which the value of the shares will be fixed according to their means, or join such stores as would allow them to pay the share instalment money by monthly instalments".

Distribution of non-controlled Articles.— Urging the enlargement of the stores by undertaking the sale of more articles, the press note says, "some of the newly organised stores are perhaps confining their business to controlled commodities only. This is likely to land the smaller stores in losses, since the margin allowed to them on the sale of controlled commodities can hardly be adequate to meet the cost of transport, management, storage, etc. They would do well to deal in other articles also and to sell them to members as well as non-members, even if they restrict themselves to members in the case of controlled commodities".

Co-operation in sale of Textiles.— Another press note issued by the Assam Government on 12-10-43 explains how the sale of cotton cloth and yarn may be undertaken with profit by these stores, as the Government has decided to exempt consumers' cooperative stores from the



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restrictive provisions in the Central Government's Cotton Cloth and Yarn (Control) Order, 1943, (vide page 22 of our June 1943 report) regarding the sale of cloth and yarn. In granting this privilege, Government hopes that the stocks of cloth and yarn placed with the stores for sale will always remain available to the public at reasonable prices instead of being hoarded and sold in the black market. It is also suggested that, in making purchases of cloth and yarn, the stores should not confine themselves to the requirements of their members; they should cater for a larger clientele. The Textile Control Staff, with its expert knowledge, will help the stores, if required, in making their purchases of textile goods.

( The Assam Gazette, Part II,  
dated 20-10-43, pages 312-313 ).

Training of Backward Classes in Cottage Industries:  
Bombay Scheme.

Fourteen peripatetic teaching parties to train members of the Backward Classes in cottage industries are to be organised in four districts in Bombay Province. This decision has been taken by the Government of Bombay in accordance with the recommendation of the ad hoc Committee appointed to consider ways of improving the conditions of the Backward Classes. The cost of the parties and of other measures to be adopted for the development of industries will be met from the Rs. 2.5 million earmarked from the Special Development Fund for the benefit of the Backward Classes.

All four districts will have parties teaching cane and bamboo work and carpentry and wood-turning. In addition, one of the districts will have a party teaching fibre work, parties in another for wool-weaving, fibre work and ~~leather~~ leather-work and parties in the remaining two for cotton weaving and tanning. The duration of the parties has been sanctioned until 29-2-1948. Courses of training will last for a year, except in the case of tanning, the course for which will be six months.

Financial Aid.- Students will be paid Rs. 12 a month while training. On finishing their courses, as recommended by the Committee, they will each be given a subsidy and a loan, aggregating up to Rs. 400, to enable them to buy appliances and tools and to provide them with working capital. Similar financial assistance will be given to students trained in technical institutions with the aid of scholarships recommended by the Committee, but the number of persons given assistance in both categories is restricted to 500 for five years. The scholarships, 250 in five years, will be tenable at the technical schools in Ratnagiri, Satara, Sholapur, Poona, Bombay, Surat, Dhulia and Ahmedabad and will range from Rs. 15 to Rs. 25 a month.

Co-operative Societies.- The Committee's recommendation that industrial multi-purpose co-operative societies should be organised for the Backward Classes in the Surat, Thana, Nasik and West Khandesh districts will be considered by the Government after some persons have been trained by the peripatetic parties and it is known what kinds of articles are being produced for marketing. Meanwhile, the Government has asked its officers to formulate a scheme for the development of the co-operative movement among the Backward Classes in one or two tracts on the lines of the activities being carried on in the Dohad Taluka and Jhalod Mahal of Broach and panch ~~Mahals~~ Mahals district.

Grain Depots. - The Committee's proposals concerning the grain depot system are still under consideration and the Government's decision will be announced later.

(Press Note No. 1063 dated 25-10-1943 issued by the Director of Information, Bombay.) +

Workers' Organisations:Recognition of Trade Unions: Views of Millowners' Association, Bombay.

Reference was made at page 1 of our April 1942 report to the Draft Bill to amend the Trade Unions Act, 1926 to provide for "Recognition" of Unions sent out by the Government of India to the Provincial Governments for eliciting opinion on the subject. The following is a summary of the views expressed by the Millowners' Association, Bombay, on the Government proposal:

Objections to "Recognition" Legislation.-- The Committee of the Association stated that employers should not, under any circumstances, be compelled by statute to recognise unions. Where a trade union, which consisted of bona fide workers and which was managed by representatives of workers, adopted strictly trade union methods in securing redress of its members' grievances, and was further in a position to impose its will upon its members in securing the due observance of all the agreements and undertakings given by it in its negotiations with employers, and was, in addition, thoroughly representative of labour, recognition by employers followed as a matter of course without any compulsion whatsoever. Where these conditions did not obtain, and recognition was forced on employers, as Government proposed to do, it would become not only a farce, but an irritant, and employers would be forced into endless correspondence with a number of unions of all dimensions on something or other connected with internal working conditions in factories with no useful or practical results.

In an earlier communication, the Government of India had requested the Employers' Federation to recommend its members "to adopt a liberal policy towards any trade unions of their workers even though they may feel some doubts regarding the leaders of those unions". The Committee stated that it could not accept this proposition. Experience in Bombay had, unfortunately, been extremely bitter. Active leadership and initiative in all trade union matters had passed, owing to the lack of workers in sufficient numbers with experience in trade union methods, into the hands of outsiders with destructive views, and these leaders had not hesitated to use the union machinery in their hands as a convenient weapon for the advancement of their personal aims and objects, regardless of the interests of the union which they were supposed to represent and of the industry affected.

The Committee was therefore, firmly convinced that, unless there was a radical change in leadership, recognition of the type which Government proposed to bestow on unions would not only fail to confer any benefit on labour, but was likely to be a positive danger to the industry and its war efforts. The real need, therefore, was good leadership by men who came into the movement purely as trade unionists, pledged to rectify the economic grievances of the men and not to mix them up with politics. If such men came forward and showed their bona fides and if, as was most essential, labour was also willing to accept their leadership out of their own will, the Committee stated, it would be willing to reconsider the whole position.

The Trade Unions Act, 1926, sought to offer immunity from legal proceedings to officers of registered trade unions for tortious acts done, and the Committee strongly felt, in the light of what had happened in Bombay and elsewhere, that, far from conferring additional privilege.

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privileges on unions, there existed a case for tightening up Government control over unions.

Present Time Unsuitable. Without prejudice to its general contention that recognition was not fit subject for legislation, the Committee stressed that the proper time to go into these matters would be when the war was over and normality had been restored. The greatest need of the hour was for all concerned to concentrate on war work, and discussion on such matters would not only make this difficult, but was likely to create diversions, which might have unfortunate consequences on peaceful working conditions in the industry. Bombay had already enacted separate legislation which provided for proper investigation into labour's grievances, and for all practical purposes, this legislation was working satisfactorily. It was, therefore, immaterial in the present emergency whether the object in view was achieved through unions or any other agency. What might, however, be done was that Provinces which had not passed any such legislation, might bring in immediately a simple statute on the lines of the Bombay Trade Disputes Conciliation Act of 1934 for the duration of the war.

Conditions of Recognition. ~~the~~ The Government still desired to proceed with their proposals for amendment of the Trade Unions Act, then the Committee pointed out that, bearing in mind the desirability and importance of ensuring that recognition was accorded by statute only to bona fide and representative unions, the conditions governing the grant of recognition should be tightened up, the Committee understood that the Central and Provincial Governments had already laid down ~~certain conditions for recognition of unions of their own employees.~~ As a further safeguard, it was suggested that under certain circumstances, detailed below, it should be made possible for the employer to withdraw recognition. The Government's proposal that, where labour did not agree with the employers' decision to withdraw recognition, the matter should be dealt with by the Registrar whose decision would be final in these matters, was strongly condemned. What was suggested was that if labour felt that the employers' action was in contravention of the Act, then it should be free to appeal to the High Court or to a Court equivalent to the Bombay Industrial Court. In connection with the conditions precedent to the grant of recognition, the Committee suggested that, in addition to the conditions specified by Government in the proposed section 28C, it should be laid down that the Union rules should specifically provide for :- (1) the prohibition of class war; (2) peaceful and legitimate methods being followed in all disputes with employers; (3) total prohibition of violence; (4) control by actual workers ~~representing~~ representing a substantial number of persons whom the union claimed to represent; (5) prohibition of strikes without notice; (6) prohibition of strikes unless preceded by a ballot in which two-thirds of the workers actually affected were in favour of the strike; (7) disowning of workers who had gone on strike, except with the consent of the union; (8) membership being purely voluntary; and (9) maintenance of proper records of subscriptions collected and of negotiations with employers. The Bombay Industrial Disputes Act of 1938 (vide section 7) laid down a minimum of 25 per cent. membership of the total number of employees employed in any industry or occupation in a local area, to qualify a union for registration under that Act, and the Committee insisted on the minimum laid down in the Bombay Act to entitle a union to recognition from employers.

Grounds for Withdrawal of Recognition. With regard to the circumstances in which recognition might be withdrawn by an employer, the

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Committee suggested that they should be: (i) if any of the conditions governing the grant of recognition were broken by the union; (ii) if the union preached class war or violence or called out a strike without going through the formality of negotiations with the management and giving 14 days' notice; (iii) if the union encouraged or ~~participated~~ participated in a strike called out by an unrecognised or unlawful organisation; (iv) if the union directly or indirectly encouraged or maintained subversion of internal discipline in mills; (v) if the union engaged in trade union activities on employers' premises except to the extent mutually agreed upon between the union and the Employers' Association; (vi) if the union was unable to give effect to an agreement negotiated by it with the employers; and (vii) if the members of the union failed to carry out lawful orders given by the union executive.

Recognition of Union operating in more than one Province. - Government proposed that a trade union recognised in one Province should be recognised trade union in any other Province to which its operations extended. Recognition, as had already been pointed out, must essentially depend, among other things, upon the representative character of the union in any locality.

(The Annual Report of the Millowners' Association, Bombay, for 1942, pages 92-96). +

Meeting of A.I.T.U.C. General Council,  
Calcutta, 24 and 25-9-43. +

A meeting of the General Council of the All-India Trade Union Congress was held at Calcutta on 24 and 25-9-1943. Members from various parts of India attended the meeting. Mr. Sudhindra Pramanik, Vice-President, A.I.T.U.C. presided.

The Council adopted a resolution on the food crisis in the country, condemning the failure of the Governments, Central and Provincial, to carry out measures to overcome the crisis, "to plan control of supplies and their even distribution through rationing, pegging of prices and efficient organisation of transport and to take severe measures against hoarders and speculators". In the opinion of the meeting, "the Central Government failed to discharge its duty and allowed the profiteers and bureaucrats of provinces to disrupt even its belated plans for central food control and distribution". The resolution also pointed out that "undue emphasis has been placed on hoarding by cultivators who mostly live from hand to mouth". The Council appealed for the co-operation of the people in forming an All-Parties Food Committee for solving the crisis.

Other resolutions adopted by the Council urged the Government to follow a uniform policy of granting dearness allowance according to the rise in the cost of living and not to lower the standard of living below that of 1939, to allow adequate cash payment of bonus to workers, to reconstruct radically the Textile Control Board, to give adequate representation to workers in all committees, to pay full compensation for forced unemployment due to coal shortage, etc., and to appoint a representative committee for the establishment of social security in India. The meeting demanded release of political prisoners and withdrawal of externment and internment orders as first step for easing the political situation.

(The Amrita Bazar Patrika, 4-10-43). +

Meeting of the Central Advisory Board  
of Public Health, New Delhi, 4, 5 and 6-10-43.

The Central Advisory Board of Public Health met at New Delhi on 4, 5 and 6-10-43.

Viceroy's Message: Post-war Health Planning on Wide Basis essential. The out going Viceroy, Lord Linlithgow, in a farewell message to the meeting, stressed the need for preparing a postwar public health programme for India and said that after the war there should be a determined effort to raise the Indian standard of living. The work of the Board will be of great assistance to provincial Governments in preparing their postwar planning programmes in the field of public health. One of the main questions to consider at present is planning for this postwar development. Health administration demands a considered programme, and any attempt to deal piecemeal with the many and varied problems involved can but lead to a dissipation of effort and financial resources. It is also necessary to introduce housing and sanitation schemes prepared on right lines in all large towns. He hoped that the Central Health Survey and Development Committee, recently appointed, would produce results of the utmost value.

Sir Jogendra Singh's Address.- Sir Jogendra Singh, Member for Education, Health and Lands, Government of India, in his inaugural address said that he hoped to give the country, before the year ended, "a programme of agricultural development aiming at providing nourishing food for all, a programme of health and housing aiming at improving living conditions, and a programme of education aiming at equipping our whole population with knowledge". Referring to the food shortage, he said that no health programme can succeed which fails to provide good nourishing food for all. Regarding two items on the agenda of the Board - the sanitation of areas around military establishments and the question of postwar reconstruction - he hoped the work of the Health Survey and Development Committee would be of material assistance to provincial Governments as well as the Centre in making reconstruction plans.

Discussions: Need for Strict Enforcement of Food Adulteration Act, etc.- In the course of its proceedings, the Board considered the report of the Food Adulteration Committee which, inter alia, recommended fearless and unprejudiced prosecution of offenders, when adulteration had been shown, as one of the primary elements in the efficient administration of the Food Adulteration Act. Equally important was the necessity for deterrent punishment of offenders. The Board gave its support to the Committee's suggestions.

A memorandum by Sir Clutha Mackenzie on "Blindness in India" and a proposal from the Central Advisory Board of Education for the setting up of a joint committee to investigate the problem of blindness and its prevention were also discussed and approved. The view was expressed that smallpox and venereal diseases were responsible for much of the blindness in this country.

Resolutions.- The Board adopted twelve resolutions mainly bearing on health planning in post-war India based on a wider and satisfactory basis. One of the proposals adopted was for the creation of a Provin-

cial Nursing Service with a provincial cadre of nurses and the creation of the post of superintendent of Nursing Services. It was also agreed to incorporate in the resolution a proviso urging upon the Government of India to create a Central Nursing Council for India. By another resolution, the Board desired that wide publicity should be given to the recommendations of the Food Adulteration Committee and that special stress should be laid on the necessity for securing the goodwill and collaboration of the food trade in the campaign for the improvement of the community's food supply. As for post-war health planning, the Board was of opinion that the improvement of health conditions was a matter of vital concern to the country and that plans for a determined effort to raise the standard of health and to provide adequate preventive and curative health service for the people should be placed in the forefront of the post-war development programme. The Board considered that the programme should be based in a comprehensive survey of all aspects of the health problem and welcomed the appointment of the Health Survey and Development Committee and stressed the importance of completion of the committee's work at the earliest possible date. A comprehensive resolution was adopted on Dr. Aykroyd's memorandum relating to Hot Springs Conference recommendations. The Board, after endorsing the views of the conference, recommended that full attention should be given to its findings in planning reconstruction with the objective of improving the diet and health ~~map~~ of the population. It strongly recommended that a trained nutrition worker should be attached to provincial and state health departments and that provincial and state nutrition committees ~~in accordance with the national organisation for the country~~ should be established. The Board further recommended that the Government of India should immediately investigate the need for modifying or developing the present National Nutrition Advisory Committee in order to provide a national organisation for the country.

(The Statesman, 5-10-43, The Hindustan Times, 8-10-43 and The Amrita Bazar Patrika, 11-10-43 ).

#### Personnel of the Health Survey and Development Committee.

The personnel of the Health Survey and Development Committee under the Chairmanship of Sir Joseph Bhoré (vide pages 29-30 of our August 1943 report) was announced on 18-10-1943. The Committee consists of 24 members including Lt. Col. E. Cotter, Public Health Commissioner, Government of India; Dr. J.B. Grant, Director, All-India Institute of Hygiene and Public Health; Mr. N.M. Joshi, M.L.A.; Mr. B. Shiva Rao; Dr. B.C. Roy, President of the Medical Council of India; Mr. P.N. Saprú, Member of the Council of State and of the Central Advisory Board of Health; and Mrs. Shuffi Tyabji. The Secretary of the Committee is Dr. K.C.K.E. Raja.

Care has been taken to include in the Committee persons with practical experience of preventive public health work, medical relief, medical and public health education, industrial health conditions and other aspects of the health problem. The committee will have power to appoint sub-committees to make preliminary inquiries into particular aspects of the problem. Owing to war conditions it will not be possible for the committee as a whole to make tours of inquiry but it will be open to the committee to have local inquiries made by small groups or sub-committees when such inquiries are essential for the discharge of their task.

(The Statesman, 19-10-1943.)

EDUCATIONPlan for Educational Reconstruction:  
Mr. John Sargent's Memorandum. +

A scheme for a national system of education to provide all children in India with basic education and enable promising children to pass on to high schools, universities, technical, commercial and art institutions outlined in a memorandum prepared by Mr. John Sargent, Educational Adviser to the Government of India, as part of the Government of India's post-war reconstruction plans. The scheme was discussed by the Central Advisory Board of Education at a special meeting held at Dehra Dun on 14 and 15-10-1943.

Basic Education.- A few important suggestions are made regarding basic (primary and middle school) education. What is envisaged is a system of universal, compulsory and free education for all boys and girls between the ages of 6 and 14. It is suggested that, while the majority of the pupils should go through the complete course, children of ability and promise should be enabled at the end of the primary or junior basic stage to enter high schools and other institutions for higher education. Early one child in every five may be able to enter the high school stage.

A vast increase in the number of women teachers is envisaged and certain minimum standards of training, recruitment and service conditions for teachers should be adopted and enforced everywhere. It is estimated that the cost of such a system of universal elementary education for British India would be Rs. 2000 million a year. This would call for 2 million teachers to instruct 52 million pupils. Kindergarten work should invariably be in the hands of women teachers trained for the purpose. Such instruction should be free and every effort should be made to persuade parents to send their children to school, particularly in areas where housing conditions are bad or mothers have to go to work.

Higher Education.- High schools will be of two types - academic and technical - but both should aim at giving a good all-round education and preparing pupils in the later stages for their future careers. Curricula should be as varied as possible and university and examination requirements should not be the deciding factor. Mr. Sargent is of opinion that the defect in the existing scheme is not that India has too many universities for a country of her size and population, but that the proportion of students in Indian universities as compared to the schooling population is too high. To raise standards all round, he suggests that the conditions for admission to universities should be revised to ensure that all students admitted will benefit from a university course. It is expected that the proposed reorganisation of the high school system will facilitate this. Other suggestions include those for the introduction of a three-year degree course with the intermediate course covered in the high school stage, the extension of the tutorial system and closer personal contacts between teachers and students, as well as steps to improve conditions of service of teachers.

Technical Education.- In view of the difficulties in the way of organizing technical (including commercial) education on a provincial basis, it is suggested that it should be controlled, at least in its higher stages, by an all-India body called the National Council for Technical Education and that the cost should be borne by the Government of India. Prospective post-war developments make the establishment of an efficient system of technical instruction a matter of the greatest



portance. Importance should also be laid on agricultural education. Technical schools should aim at giving an all-round education with a technical ~~in~~ bias for pupils of ability so as to satisfy the aptitudes of those who want a practical course and the needs of industry and commerce for intelligent young workers. But ~~over and above this~~ <sup>over and above this</sup> technical education should meet the needs of five classes of industrial workers - the managerial class, research workers, the supervisory class, skilled artisans and semi-skilled and unskilled workers.

Adult Education.- A 20-year campaign to deal with illiteracy among adults preceded by five years of preparation is envisaged in the survey of the problem of adult education. Such a campaign is particularly important in India with its very high percentage of illiterates. To an increasing degree, as illiteracy is reduced, education in a fuller sense could be provided for those who become literate. Here, as in all branches of education, an important problem will be the securing of teachers and, while the main responsibility is the State's, the help of voluntary organisations, where they are available, will have to be enlisted.

Training of Teachers.- The great increase in the number of schools will call for an enormous stepping up of the output of trained teachers, and India's existing institutions are only sufficient to provide for placements among existing teachers. There will be required ultimately over 2 million non-graduate teachers and 180,000 graduates for high schools. New training schools and colleges must be provided to meet this need. Suitable pupils from high schools and colleges must be ~~provided~~ <sup>selected</sup> picked - particularly from girls' high schools. No fees could be charged and poor students should be helped liberally. Teachers, especially those in remote rural areas, should be able to take refresher courses.

School Medical Services.- On the subject of school medical services and physical education, Mr. Sargent takes his stand on the findings of a Joint Committee appointed in 1941 by the Central Advisory Board of Health and Education. The medical inspection of children is of little value unless linked up with the treatment of defects discovered and arrangements for following up cases where necessary. The provision of midday meals in schools is a step towards combating malnutrition, while better personal hygiene can be taught both by example and precept in schools. Physical training should be given to all children. It is estimated that India's school-going population will need 7,500 school medical officers and 15,000 nurses to run an efficient school medical service. So far what has been done for the education of mentally and physically handicapped children in India has been almost always due to voluntary effort. Provision for them should, however, form part of the State system of education.

Employment Bureaus.- Employment bureaus under the control of the education departments and staffed by trained experts with experience of teaching and of industrial conditions should be maintained in the provinces. They are specially necessary in India because of the restricted openings at the moment for progressive employment. Such bureaus should be responsible for those leaving all types of schools; universities should preferably have their own employment bureaus.

Finance.- For British India alone, the <sup>entire</sup> scheme is estimated to cost, by the time it is fully established - that is at the end of between 40 and 50 years - Rs. 3130 million annually, of which Rs. 2770 million will probably have to come out of public funds. These figures compare with a total expenditure on education of about Rs. 200 million in 1940-41, of which Rs. 175 million came from public funds.

(The Hindustan Times and the Statesman,  
dated 18-10-1943.)

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SOCIAL POLICY IN WAR TIME.

Wages :

Enhanced Scale of Dearness Allowance from 1-6-43  
for Lower-paid Punjab Government Employees.

The Government of the Punjab has on 30-9-43 sanctioned a further enhancement in the scale of dearness allowance granted to its lower paid employees. The scales now granted are :

<u>Scale of pay (Monthly)</u>	<u>Rate of Dearness Allowance.</u> <u>(Monthly)</u>		
	Rs.	A.	P.
Upto Rs. 20.			
Exceeding Rs. 20 but not exceeding Rs. 30.	9	8	0
Exceeding Rs. 30 but not exceeding Rs. 40.	11	0	0
Exceeding Rs. 40 but not exceeding Rs. 60.	12	0	0
Exceeding Rs. 60 but not exceeding Rs. 100.	14	0	0
Exceeding Rs. 100 but not exceeding Rs. 150.	10 per cent of pay or Rs. 14 per mensem whichever is greater.		
Exceeding Rs. 150 but not exceeding Rs. 250.	10 per cent of pay.		

Government servants in receipt of pay exceeding Rs. 250 but not exceeding Rs. 275 per mensem will draw dearness allowance at such rates as will raise their total emoluments to Rs. 275 per mensem. Gazetted Officers whose pay falls within the limits prescribed will also be entitled to the grant of dearness allowance.

The revised rates of dearness allowance will have effect from the 1-6-43.

(Circular letter dated 30-9-43, issued to all Heads of Departments by the Secretary, Finance Department, Government of the Punjab).

<sup>into</sup>  
Inquiry on the Principles of fixing  
Dearness Allowance: Committee Appointed  
by Labour Member.

A committee with Sir Theodore Gregory, Economic Adviser to the Government of India, as chairman, has been appointed by Dr. B. R. Ambedkar, Labour Member, Government of India, to determine and report on the principles on which dearness allowances should be fixed.

The question of appointing such a committee was discussed at the last session of the tripartite Labour Conference (vide pages 4 to 10 of our August 1943 report). It was then generally agreed that the question of profit bonus should be kept separate from that of dearness allowance. There was also general agreement that it was more important

to supply essential articles at reasonable price than to pay extra cash allowances. The conference has authorized its Chairman, Dr. Ambedkar, to appoint a small committee to make precise recommendations on the subject, which would be placed before the next meeting of the Standing Labour Committee. It is in pursuance of this decision that Dr. Ambedkar has now set up a small committee which is to include two representatives each of the provinces, employers and labour.

(The Hindustan Time 27-10-43).+

Ahmedabad Textile Labour Unions demand  
Adequate Bonus.

The Ahmedabad Textile Labour Association has demanded adequate bonus for the textile operatives for 1943 on the ground that the textile industry has made 'unprecedented' profits during the year. Negotiations between the Millowners' Association and the Textile Labour Association are proceeding in this connection. The Mill Kamdar Union, another labour union in the city, has already demanded three months' wages as bonus for the current year.

(The Bombay Chronicle 25-10-43).+

Employment:Up-Grading of Semi-Skilled Workers in Bombay  
Textile Mills: Views of Bombay Millowners'  
Association on Government Scheme.

Towards the end of September 1942, the Employers' Federation of India, at the instance of the Government of India, Department of Labour, invited the views of the Millowners' Association, Bombay, on a scheme to provide for the systematic and continual upgrading of men from the less skilled to the more highly skilled posts after a short period of training with a view to releasing a number of highly skilled men in each factory for transfer to more important war work. In inviting the co-operation of employers, Government pointed out that the pressure on the skilled and highly skilled labour of the country was already great, and since the quantity of this form of labour was severely limited, it was growing increasingly important that as a national effort it should be distributed to the best advantage of the war effort. Government's proposals were examined by the Committee of the Association. While the Committee was willing to do everything possible to assist Government's war effort, it felt that it might not be possible to adopt the scheme in its entirety. The main difficulty in this direction was providing the necessary training facilities. Cotton mills in India were not equipped for the training of highly skilled mechanics, nor had they the necessary staff or class of work for conducting such training. Workshops in cotton mills were essentially repairshops, and had not the facilities usually available in engineering establishments. Departmental machinists in mill workshops were only semi-skilled labour trained for dismantling and assembly of their particular machines, which work did not call for highly skilled workmanship, and the nature of their work did not give them an opportunity to acquire skilled training. Women machinists were generally upgraded after years of experience, but even then their ability was always found to be very limited. The Employers' Federation was informed of the Committee's views, and nothing further, it is reported, has been heard from Government in this matter.

(Annual Report of the Millowners' Association, Bombay, for 1942, Page, 103) .

Unemployed Handloom Workers:  
Madras Government's Scheme for Employment.

To provide employment to the hand-loom factory workers who have been thrown out of employment as a result of the slump in the cloth market following the introduction of the Cotton Cloth and Yarn Control Act, the Textile Commissioner, Madras, has prepared a scheme, which has been approved by the Government of Madras. Under the scheme a selective weaving centre will be started in Cannanore, Malabar, for the production mainly of twills and drills in hand-loom factories. The cloth produced will be taken over by the special officer-in-charge of the centre and the Provincial Textile Commissioner will arrange for marketing. The scheme will be worked for the time being with 2,000 looms. The number of looms is likely to be increased if necessary for one month.

(The National Call, 10-10-43) .

Labour Conditions in Coal-Mines:  
Meeting Convened by Government  
of India.

To discuss methods for increasing Indian coal production, a meeting the representatives of the Central and the Provincial Governments concerned and of colliery-owners was convened by the Department of Labour, Government of India, at New Delhi on the 23rd October 1943. The following matters were understood to have been considered:-

Labour Position in the Coal fields.- The representatives of colliery interests were all agreed that the labour position had become increasingly difficult, particularly from the latter half of 1942. The principal reasons for this according to them, were : (1) the "Grow More Food" campaign (2) the counter-attraction of high wages paid by military contractors, (3) inadequate supply of food-grains, which in turn was responsible for high sickness rates, and (4) the serious delays experienced in obtaining stores, and transport (railway wagons) to get the stores to the coalfields. Most of the collieries were granting concessions to the workers to meet the increased cost of living due to war conditions. These concessions were principally: (a) dearness allowance, (b) supply of food grains at concession rates, (c) supply of cheap cloth, and (d) grant of bonus (by some of the bigger collieries).

Some of the colliery owners urged that, in view of the labour shortage, underground work of women in mines should be permitted, particularly in the Bengal and Bihar coal-fields. It was also suggested that an attempt should be made to stop military contractors from recruiting labour in areas where colliery labour was usually recruited. Another point stressed by some employers was that one of the subsidiary reasons for lowered output was the recent withdrawal of prohibition by the Bihar Government; some employers disagreed with this view.

Regarding difficulties in connection with transport of stores, the colliery owners urged that no authority should have power to override any priority given by the Chief Inspector of Mines and the Chief Mining Engineer who were in a better position to judge the needs of the coal-fields than purely transport authorities.

Ensurance of adequate Food Supplies.- The discussions seem to have turned on the following three aspects: (1) Was it possible to arrive at any figure of what food rations should be? (2) Was there any relationship between the total amount of rations required by a mining force and the total tonnage of coal raised? (3) Would it be possible to persuade miners to change over from rice to atta (wheat flour)?

It was pointed out that <sup>any</sup> scheme which based rations on production and not on the number of persons to be fed, was not likely to be acceptable to the Provincial Governments. Government had now accepted the principle of giving a special ration to heavy workers.

These questions were referred to a sub-committee, which met the same day and reached the following conclusions:-

● Provision of Commodities at Concession Rates in Bengal and Bihar.-  
 ✱ Employers to initiate uniform schemes.- It was considered desirable that the Employers' Associations should initiate schemes on uniform lines for the supply of food-stuffs and other commodities to their labour, and that the Government of India should ask Provincial Governments to assist

the Association in giving effect to such schemes. The schemes should (a) provide for a uniform rate at which basic foodgrains should be sold by owners to their workers, (b) lay down as a guide a uniform ~~rate~~ of ration (which would fall in with that adopted by the Provinces concerned with due regard to the heavy work done underground, and which would serve as a basis for procurement), and (c) include schemes for providing at concessional rates other commodities such as dal, salt, gur, gram, mustard, oil, tea and standard cloth.

Basic Rations.— It was agreed (a) that the uniform rate at which rice should be sold should be 6 seers (1 seer=2 lbs.) to the rupee, and that other basic foodgrains should be sold at a uniform rate fixed to give approximately the same concession, (b) that procurement of main foodgrains should be based on the following ration:  $1\frac{1}{2}$  lbs. of foodgrains per day for each adult male worker, 1 lb. for each woman and  $\frac{1}{2}$  lb. for each child dependent; (c) that collieries should themselves distribute the other commodities mentioned (in order to eliminate middlemen's profit), (d) that any worker working not less than four days a week should get a full week's ration. (Those working less than four days would get rations on a pro rata basis. If a man was on a pro rata basis, then his dependents also would be on that basis).

Administrative Arrangements.— The Provinces would require an estimate of the number of persons for whom rations would be required probably a month in advance. The Associations undertook to conduct a sampling census and to send the figures based on the results of this census, to the Government of India. As Government would give assistance in obtaining supplies required, they must have an assurance that those supplies would be used in the right manner. The Secretary of the Labour Department also pointed out that it was probable that Government would consider it necessary to recover the cost involved in administering the above scheme in some form, and that unless production reached 1 ton for each 4 seers of grain provided under Government arrangements, the matter would have to be reconsidered.

(\*) Provision of Commodities at Concession rates in coalfields outside Bengal and Bihar.— The Sub-Committee was of opinion that procurement difficulties were not so great in coalfields outside Bengal and Bihar and that therefore a detailed scheme on the lines proposed for Bengal and Bihar was not necessary. It ~~however~~ suggested that coalowners should at once give "commodity concessions" to their labour at rates not less favourable than those proposed for Bengal and Bihar.

(\*) Production Bonus.— Some of the employers were not in favour of any production bonus on the ground that it was not likely to provide any additional incentive to increased production. It was pointed out in this connection that, if the miner was given more money, there were no goods in the bazar on which he could spend it and that no goods were available in which to make payments in kind. In reply, it was pointed out that articles such as gur, tamarind, chillies, salt, etc., in which the bonus could be given, were available in the markets; if conditions were sufficiently attractive, the miners would work for more than 4 days a week.

The Labour Member of the Government of India, who was in the Chair, said that it would be difficult for Government to make any provision for additional labour in the mines unless they were quite satisfied that everything possible was being done for labour, and that, in particular, the question of allowing women to work underground in mines would depend

on the attitude adopted towards improving the conditions of existing labour.

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As a result of this meeting it is understood that the Government of India would shortly be initiating certain welfare measures for the mining population. The more important of these ameliorative measures are :-

- (1) Forcing the industry by voluntary arrangement, if possible, but ultimately, if necessary, by statute, to give all necessary grain concessions and concessions in respect of consumer goods.
- (2) Taking all possible steps to increase the supply of consumer goods in the coalfields so that increased earnings will prove attractive to labour.
- (3) Immediate enquiry by the Chairman of the Coal Mines Stowing Board into the availability of grainshops, arrangement for supply of food, and the existence of educational, medical and housing facilities in the Bengal, Bihar and Central Provinces coalfields.
- (4) Appointment of a special staff charged with adopting measures for improvement of welfare. The staff is to consist initially of one Chief Welfare Officer and two Welfare Inspectors, and possibly also one Woman Welfare Officer.
- (5) Inclusion in such welfare measures of improved arrangements for the maintenance of public health and if possible, for improved education.
- (6) Examination of the possibility of improvement in ventilation and sanitation in Central Provinces mines.
- (7) Where women are employed underground, making provision-
  - (a) that such women shall be paid rates of wages equivalent to those paid to male workers underground on similar work, and
  - (b) that no woman shall be employed underground in galleries which are less than 6 feet in height.

( This note is for the information of the I.L.O. only, and not for publication. ) +

The Asiatic British Evacuees (Census) Order,  
1943. ✓

The Government of India has gazetted ~~and~~ the Asiatic British Evacuees (Census) Order, 1943, so as to take a census of all such ~~evacuees~~ in India. "Asiatic British Evacuees" are defined as Asiatic British subjects who have arrived in India since 8-12-1941, ~~having~~ left any territory to the east of India in consequence of military operations. The census will collect information under the ~~heads~~: civil status, occupation ~~and~~ in the country from which the person was evacuated, educational and other qualifications, details of dependents, present means of livelihood, etc.

(Notification No. 149/43.O.S. dated  
2-10-43: The Gazette of India,  
Part I, Section 1, dated 2-10-43,  
page 1077 ). ✓



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Control Measures :

The Jute Industry Essential Stores Control Order,  
1943.

The Jute Industry Essential Stores Control Order was Gazetted by the Government of India to licence the sale and purchase of 21 specified articles considered essential stores of the jute industry.

(Notification No. SS/226 dated 30-9-43:  
The Gazette of India, Part I, Sec. 1,  
dated 30-9-1943, pages 1104-1105). +

The Ferro-Alloys Control Order, 1943.

The Ferro-Alloys Control Order, 1943, was gazetted by the Government of India to prohibit the sale or purchase of Ferro - Alloys, except under official permission.

(Notification No. 1105 dated  
30-9-1943: The Gazette of India,  
Part I, Section 1, dated 9-10-1943,  
Page. 1104). +

The Cotton Baling Hoops (Control of Movement) order,  
1943.

The Cotton Baling Hoops (Control of Movement) Order, 1943, was gazetted to prohibit the movement of cotton baling hoops by road, river, sea or air except under official permission. Movement by rail is permitted.

(Notification No. 1150 dated  
13-10-1943: The Gazette of India,  
Part I, Section 1, dated 16-10-1943,  
Page 1137). +

The Zinc Chloride Control Order, 1943.

The Government of India has gazetted the Zinc Chloride Control Order, 1943, which requires any one wanting to buy zinc chloride to get a licence for the purpose, and prohibits sale of zinc chloride to any one having no valid licence to acquire zinc chloride.

(Notification No. 200-Tex(B)/43(1)  
dated 9-10-1943: The Gazette of  
India, Part I, section 1, dated  
9-10-1943, Page 1097). +

The Cotton Cloth Movement Control Order, 1943.

The Cotton Cloth Movement Control Order, 1943, was gazetted by the Government of India in order to prohibit the movement of cotton cloth from one area to another by rail without a permit from the authorities. For purposes of granting permits, India has been divided into zones of which Bombay and Delhi alone are surplus zones, all the rest being deficit zones. Cotton cloth may be transported only along specified routes.

(Notification No. 265-Tex/43, dated  
23-10-1943: The Gazette of India  
Part I, section 1, dated 23-10-1943  
Pages 1158-1159). +

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The Wireless Sets Control Order, 1943.

The Government of India has adopted the Wireless Sets Control Order, 1943, to require dealers to declare existing stock and to control the sale of wireless sets imported by the Central Government from the U.S.A.

(Notification No. 457-C.S.(B)(8)/43, dated 9-10-1943: The Gazette of India, Part I, section 1, dated 9-10-1943, Pages 1097-1098)..

The Aluminium Control Order, 1943.

The Government of India has gazetted the Aluminium Control Order, 1943, to prohibit manufacturers from acquiring aluminium without an official certificate. The sale of aluminium and its alloys, except to certificate holders, is prohibited.

(Notification No. 1169 dated 21-10-1943: The Gazette of India, Part I, section 1, dated 23-10-1943, page 1167)..

The United Provinces Starch Manufacturing Control Order, 1943.

The Government of the United Provinces has under the Defence of India Rules issued on 6-10-43, the United Provinces Starch Manufacturing Control Order, 1943, under which no person is to purchase any food-grain for the purpose of manufacturing starch except under and in accordance with the terms of a licence granted under the Order.

(Government Gazette of The United Provinces Extraordinary dated 9-10-43)..

The Sind Rent Control (Non-residential Premises) Order, 1943.

The Sind Government has, under the Defence of India Rules, issued on 27-9-43, the Sind Rent Control (Non-residential Premises) Order, 1943, for controlling the rent of premises let wholly or principally for non-residential purposes. The Rent Controller is authorised to fix 'fair' rates of rent for any such premises. 'Fair rent' normally means the rent at which the premises were let on 1-12-42. The Order applies only to premises the fair rent for which does not exceed Rs. 25 per month.

The Order came into force on 1-10-43 in the Municipal and Cantonment limits of the City of Karachi. Its application may be extended to other areas in the province by notification in the Official Gazette.

(The Sind Government Gazette, dated 30-9-43, Part I, pages 1224-1225)..

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The Hoarding and Profiteering Prevention  
Ordinance, 1943 (Ordinance No. 35 of 1943).

Governor General  
The ~~Government of India~~ has issued on 16-10-43 the Hoarding and Profiteering Prevention Ordinance, 1943. (Ordinance No. 35 of 1943.)

The Ordinance will apply to all articles except food-grains and those which have been exempted specifically by the Government. Under the Ordinance, the Central Government may, by notification in the official Gazette, fix in respect of any article the maximum quantities which may at any time be possessed by a dealer or producer, or may be sold to any person, as also the maximum price that may be charged by a dealer or producer. In the case of articles in respect of which no maximum has been fixed by notification, no dealer shall have in his possession at any time a quantity of the article exceeding one-quarter of the total quantity of that article held by him in the course of the year 1939, or as the case may be, exceeding the quantity which the Controller General of Civil ~~Supply~~ ~~Supplies~~ may fix; and no producer shall have in his possession at any time a quantity of the article exceeding one-quarter of his total production of that article during 1940, 1941 or 1942, in whichever year production was greatest, or the quantity fixed by the Controller General.

Where no maximum has been fixed in regard to the price of an article, no dealer or producer shall sell or otherwise dispose of the article for a consideration which, whether it is paid exclusively in money or not, ~~shall not exceed~~ the amount represented by an addition of twenty per cent or the addition allowed by normal trade practice whichever is less to - (a) the cost landed of the article in the case of an imported article, (b) the cost of ~~pro~~ production of the article in the case of an article which is not imported. No person purchasing an article should, as a condition of its sale, be required to purchase any other article. The margin of 20 per cent allowed to dealers and producers is subject to alteration by the Controller General.

The Ordinance also provides that no person shall have in his possession at any one time a greater quantity of certain articles which the Controller General may specify than what is necessary for the reasonable needs of himself and his family for a period of three months or such longer period as may, for special reasons in his particular circumstances, be considered a reasonable period for which to make provision. "Reasonable needs" includes the fulfilment of social or religious or other customary obligations. This restriction does not apply to a dealer or producer in respect of any article sold or produced by him. No dealer or producer shall, unless previously authorised to do so, without sufficient cause, refuse to sell to any person any article within the limits as to quantity imposed by the Ordinance. The possibility or expectation of obtaining a higher price for the article at a later date shall not be deemed to be a sufficient cause for this purpose. Dealers and producers may be required to mark the sale prices on articles intended for sale, or exhibit prominently a list of prices of such articles.

Contravention of the provisions of the Ordinance is punishable with imprisonment for a term which may extend to five years or fine or both.

( The Gazette of India, Extraordinary, dated 16-10-43, pages 626-629 ). +

Bombay Government's Savings Campaign:  
Rs. 200 Million Aimed at. ✓

The question of introducing measures to check inflation was recently examined by the Government of Bombay in the light of suggestions received from the Central Government. Besides a country-wide savings campaign, the Government of India had suggested to Provincial Governments that the possibilities of fresh taxation, such as agricultural income-tax, higher stamp and other duties and entertainment tax, might also be examined.

The Government of Bombay has now decided to launch a vigorous savings drive throughout the province, with a view to immobilise surplus purchasing power. The amount aimed at, Rs. 200 million. It has also come to conclusion that agricultural income-tax is not to be levied in view of the peculiar nature of the land revenue system in the province, while other heads of taxation offer very limited scope for increase. ~~Since these considerations~~ These considerations have prompted Government not to impose fresh taxation unlike some of the other provinces and to concentrate only on the savings campaign.

( The Times of India,  
dated 6-10-43 ). ✓

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Textile Industry.

The Madras Handloom Standard Cloth ( Control of  
Production, Distribution and Sales ) Order,  
1943.

The Government of Madras has issued under the Defence of India Rules on 27-10-43 the Madras Handloom Standard Cloth ( Control of Production, Distribution and Sales ) Order, 1943. Under the Order handloom standard cloth shall be woven or processed and finished only by (1) Weavers' Co-operative Societies which have been affiliated to, and authorized in this behalf by the Handloom Weavers' Provincial Co-operative Society; and (2) private licensees to whom the Provincial Textile Commissioner, Madras, has granted licence. Distribution and sale of hand loom cloth have also to be carried on strictly in accordance with the terms of the licence issued for the purpose, and at prices not higher than that fixed by the Provincial Textile Commissioner.

This Order supersedes the Madras Handloom Standard Cloth Control Order, 1943. (Vide page 24 of our June, 1943 report).

( Pages 1 & 2, Rules Supplement  
to Part I, The Fort St. George  
Gazette, Dated 5-10-43 ). +

The Madras Silk Control Order,  
1943. +

The Government of Madras has issued under the Defence of India Rules on 2-10-43 the Madras Silk Control Order, 1943. Its main stipulations are that no person shall carry on the business of purchase and sale of raw silk or 'thrown' silk except under a licence granted by the Controller appointed for the purpose, and also that all the silk produced by the charka ( Spinning wheel ) establishments and filatures shall be sold to the Government only at prices fixed by the Government from time to time.

( The Fort St. George Gazette,  
dated 3-10-43, Part I Extra-  
ordinary, pages 1 & 2 ). .

Resumption of forward Trading in Cotton:  
Central Government's proposed Safeguards.

According to a press note issued by the Government of India on 27-10-43, the Government had decided to permit, as an experimental measure, the reopening of the cotton futures market subject to certain safeguards and conditions. Forward Trading in cotton cloth and yarn was prohibited by Government order on 25-6-43. (vide page 22 of our

June, 1943, report).

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The safeguards proposed are: (1) Forward trading shall be permitted only in the official market which at present exists in Bombay only, i.e. in the East India Cotton Association and such trading in any other market shall be a penal offence. (2) Trading in options shall remain a penal offence. (3) Forward trading shall be subject to maximum and minimum prices. (4) Every member firm shall deposit with the East India Cotton Association, which shall in its turn deposit with the Imperial Bank of India, a sum (not carrying interest) not less than Rs. 25 per bale on the net open futures position of each such member regardless of the price level. (5) The Association shall undertake to enforce rigidly its various disciplinary bye-laws, e.g., any infringement of the limitation of trading hours shall be dealt with immediately by expulsion, etc. (6) The Association must take power to call upon any of its members at any time to declare his open position and the accounts on which it is held. If the Association is unwilling to take such power and to exercise ~~this power~~ it as and when necessary, Government will itself exercise this power. (7) When cotton prices are at the ceiling rates Government shall retain the right of requisitioning cotton for the use ~~of~~ of mills at prices, three to five per cent. below the ceiling rates.

The ceiling price fixed in terms of Indian cotton contract is Rs. 550 per candy (1 candy = 784 lbs approximately) and the minimum is Rs. 400 per candy. It is emphasised that the Government is prepared to allow forward trading in cotton in the special circumstances of the cotton market and only under the strictest possible safeguards. No permission will be given for futures trading in any of the other markets in which such trading is now prohibited.

It is understood that the Board of the East India Cotton Association later approved of Government's proposals.

(The Times of India,  
dated 28-10-43 ). +

#### The Mysore Silk Control Order.

The Mysore Government has recently issued the Mysore Silk Control Order providing that no trader or trading organisation shall carry on the business of purchase and sale of raw silk or thrown silk except under a license granted by the Controller under the order and that all the silk produced by the charka (spinning wheel) establishments and filatures in the State shall be sold to the Government only, at rates fixed by the Government from time to time. No person shall sell or dispose of any raw silk or thrown silk to any person outside the State without a permit issued in writing by the Controller.

( Mysore Information Bulletin,  
August, 1943 ). +

Means of Increasing Coal Production:  
Bonus on Individual output suggested.

A conference of representatives of provinces producing coal and mining interests was held under the auspices of the Government of India at New Delhi on 23-10-43, to consider ways and means of increasing coal production in India. Dr. B.R. Ambedkar, Labour Member Government of India, presided. Various suggestions for increasing coal production are understood to have been considered. These include the grant of ~~an attendance~~ bonus on individual out-put. An early decision on these suggestions is expected.

( The Hindu, dated 25-10-43).+

Central Government's New Scheme to  
accelerate production of Rubber.

In order to secure the maximum out-put of rubber in the immediate future, the Government of India have introduced a scheme for the intensification of tapping on rubber estates and slaughter tapping ~~on~~ specified areas. Producers participating in the scheme will be required to intensify tapping on 80 per cent of their tappable acreage and to slaughter tap the remaining 20 per cent. In compensation for the accelerated exhaustion of the trees so tapped, the Government of India will pay producers, after the cessation of hostilities, the cost of replanting the areas slaughter-tapped.

Every effort will be made by Government to ensure that adequate food supplies will be available for the additional labour that will be required on the rubber estates.

( Press Note dated 20-10-43, issued  
by the Principal Information  
Officer, Government of India,  
and The Times of India, 22-10-43).  
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Anti-hoarding Bill to be introduced in  
the Central Assembly.

An anti hoarding Bill has been tabled for introduction in the Central Assembly during its November, 1943, session, by Sir Zia-Uddin Ahmed.

The Bill seeks to lay down that no person, including a producer, shall be permitted to hoard foodgrains over the normal requirements of his family and dependants for a month without a licence. Any person found in possession of foodgrains over normal requirements without a licence will be punishable with a maximum fine of Rs. 50,000 or with a maximum imprisonment of a year or with both and the excess foodgrains shall be confiscated and sold; any person selling foodgrains at a price higher than that notified by Government shall be fined to a maximum sum of Rs. 5,000 or sentenced to a maximum of three months' imprisonment or both. The money realized as fine or from sale of confiscated foodgrains should be deposited under a special fund to be called "Food Equalization Fund" to be used to stabilize foodgrain prices. Other clauses prohibit the carriage of foodgrains from one province to another without a licence for the purpose, and provide for the establishment of a committee of the Legislature with which the Chief Commissioner of Railways should consult in fixing railway freight for transport of foodgrains.

(The Hindustan Times 10-10-43).+

Food Distribution in Cawnpore:  
Special Arrangements For Workers.

A new scheme for distribution of food grains in Cawnpore, a city with a large labour population, came into force towards the close of September, 1943. In view of the magnitude of the problem resulting from the large increase in population, it was considered advisable to divide the entire city into zones, each under the supervising control of an officer, the Civil Defence Magistrate, ~~that including mill and factory workers, about 30 per cent of the total population benefited by the present arrangements in the matter of securing supplies of foodstuffs from Government shops. For mill and factory workers, there are separate arrangements and a special officer is in charge to ensure equitable distribution of rations.~~ It is reported that excluding mill and factory workers, about 30 per cent of the total population benefited by the present arrangements in the matter of securing supplies of foodstuffs from Government shops. For mill and factory workers, there are separate arrangements and a special officer is in charge to ensure equitable distribution of rations.

(The Hindustan Times 4-10-43).+

The Bengal Rationing (Establishments) Inquiry  
Order, 1943.

The Bengal Rationing (Establishments) Inquiry Order, 1943, issued under the Defence of India Rules by the Government of Bengal on 9-10-43, provides that every person <sup>or</sup> in charge of any establishment in certain specified areas desiring to obtain any specified article of food for use or consumption at such establishment shall furnish to the Controller of Rationing true and correct information in respect of his



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average weekly food requirements. "Establishments" cover catering establishments, residential establishments (boarding houses, hotels, hostels, schools, etc., but not ~~include~~ private households), institutions like hospitals, sanatoria, nursing homes, orphanages etc., ~~bakeries~~, confectioneries and animal establishments (stables, poultry farms, etc.). The areas to which the order at present applies are Calcutta, and the municipalities of Howrah and Bally - Belur; but it may be extended to other areas by official notification. By 'specified articles' is meant rice, wheat and their products, dal (pulses) and sugar.

(The Calcutta Gazette dated  
14-10-43, Part I, pages 1533-34).+

The C.P. and Berar Rationing (Statistics of Establishments) Order, 1943.

The Government of the Central Provinces and Berar has issued under the Defence of India Rules on 14-10-43 the Central provinces and Berar Rationing (Statistics of Establishments) Order, 1943, which provides that persons owning catering, residential, manufacturing and animal establishments (stables, poultry farms, etc.) institutions (hospitals, orphanages, boarding schools, etc) mills, and factories shall furnish to the Government information regarding their average weekly requirements in respect of rice, wheat, juar and their products. The order came into force on 14-10-43 in the Municipal areas of Nagpur and Jubbulpore, and Jubbulpore Cantonment, and a number of villages in the Nagpur and Jubbulpore tahsils; it may be extended to other areas by official notification.

(The C.P. and Berar Gazette dated  
15-10-43, Part I, pages 577-78).+

The Assam Rationing Preparatory Measures Order, 1943.

With a view to introduce rationing of essential food materials in certain areas, the Government of Assam has on 5-10-43 issued, under the Defence of India Rules, the Assam Rationing preparatory Measures Order, 1943, providing for numbering of premises, enumeration of persons, collection of information and statistics relating to establishments (shops, institutions, mills, factories, catering houses and residential establishments) and licensing of retail and wholesale shops. The articles to be rationed are rice, wheat, sugar, salt and dal. (pulses.) The Order has come into force within the municipal areas of 8 important towns in the province with effect from 15-10-43.

(The Assam Gazette dated 6-10-43,  
Part II, pages 798-799).+

The Assam Essential Articles Restricted Acquisition Order, 1943.

The Government of Assam has on 5-10-43 issued the Assam Essential Articles Restricted Acquisition ~~Order~~ Order, 1943, under which no person may, except under the authority of a licence granted by the Provincial Government, acquire any essential article if by so doing

the quantity thereof in his possession or under his control would exceed the normal quantity. This restriction does not apply to the acquisition, in the ordinary course of his business, of any essential article by a person carrying on the business of a producer, dealer, manufacturer, carrier or warehouse-man. The Order also provides that no person shall sell, transfer or otherwise dispose of any essential article to another person if he knows that by doing so the normal quantity of such article in the possession of the other person will be exceeded.

'Essential Articles' means an article which the Provincial Government, being of opinion that the maintenance of the supply thereof is essential to the life of the community, declares to be an essential article and 'Normal Quantity' means such quantity as would be ~~required~~ <sup>required</sup> for use and consumption in a household or establishment during a period of one month or such longer period as the Provincial Government may decide should be allowed in view of the existence of any special circumstances.

(The Assam Gazette, Dated 6-10-43,  
Part II, page 799)..

The Madras Rationing Regulations, 1943:  
Special provisions for labourers.

In exercise of the powers conferred by the Madras Rationing Order, 1943 (vide page 31 of our July, 1943 report), the Government of Madras has on 5-10-43 gazetted rationing regulations in respect of areas outside the City of Madras where the Order may be brought into force by Order of the Provincial Government. Certain special provisions are made in these regulations in regard to labourers. "labourer" means a person who earns his livelihood by hard manual labour, and if any question arises as to whether a person is or is not a labourer, it shall be decided by the Rationing Officer.

According to the rationing scheme, for purposes of obtaining any rationed article for household consumption, ration cards have to be secured. A ~~holder of~~ <sup>holder</sup> ration card employed by any employer who runs an approved shop shall not register himself for obtaining rationed articles except with his employer, provided that after such period not exceeding two months from the rationing date as the Commissioner of Civil Supplies, Madras, may prescribe in this behalf, he may register himself with any authorized retail distributor. "

An "Approved Shop" means a grainshop run by an employer of labour solely for the benefit of his employees and approved as such by the Rationing Officer. No authorized retail distributor who is an employer running an approved shop shall, when requested so to do, refuse to register the holder of a ration card who is his employee. On demand and offer of price by a labourer residing in the <sup>rationed</sup> area who is employed by an employer running an approved shop, the employer shall supply to the labourer, even without the production of a ration card, the rationed article not exceeding the quantity available for four weeks at a time. Any labourer, other than one employed by an employer running an approved shop, may if required, obtain a supplementary ration card from the Rationing Officer.

(Rules Supplement to Part I, the  
Fort St. George Gazette, 5-10-43,  
Pages 10-14)..

The Sind Government has issued on 12-10-43, ~~The~~ Sind Rationing Order, 43, providing for the introduction of rationing in the province in respect of certain articles which will be notified officially.

The City of Karachi Rationing Regulation, 1943, issued along with the Order contains certain special provisions in regard to the supply of increased quantities of rationed articles to persons doing "heavy manual work" residing in the City. A manual labourer who is employed by any one of the specified employing concerns is entitled to be supplied by a distributing store run by that concern, otherwise than on a ration card, with any rationed article not exceeding the quantity available for four weeks at supplementary ration rates. Manual workers not employed by any one of the 35 employers will, on application, be issued with supplementary ration cards.

( The Sind Gazette Extraordinary,  
dated 16-10-43, Part I, pages  
1363-1368 ) .+

Decisions of the Food Conference, New Delhi, 14, 15 and  
16-10-1943

Three <sup>main</sup> decisions were arrived at by the All India Food Conference which met at New Delhi on 14, 15 and 16-10-1943. These were: the institution of statutory price control of major foodgrains in all provinces, introduction of rationing in urban areas and the delegation to provincial Governments of the responsibility to adopt procurement measures.

Statutory Price Control.- Announcing these decisions <sup>at the conference,</sup> the Secretary, Food Department, Government of India, said that the Government accepted the recommendations of the Conference that statutory price control should be instituted for all major foodgrains in all the provinces, as also <sup>at the conference,</sup> control in respect of an increasing number of non-agricultural commodities, particularly those required by the cultivator. The Government was, however, of opinion that in the present emergency, it was not possible to introduce such a control on an all-India basis, and that it would be more advisable to build up price control first on a provincial and then on a regional basis. Meanwhile, it is hoped that Government would be enabled, by the adoption of efficient distribution arrangements supported by imports from abroad, to regain control of all stocks or sufficient stocks to influence the markets of food grains. Pending the enforcement of statutory control of prices throughout India, such provinces as desire to enforce statutory control or ceiling prices will be permitted to do so. What is ultimately aimed at by such measures is a price system under which the price for a crop, once fixed, will remain the same throughout the crop season. For purposes of co-ordination, if Central Government will be vested with the right to suggest changes of prices both upwards and downwards. The Government accepted the recommendation for setting up a Standing Prices Committee at the Centre. Disputes relating to price changes which may arise between the provinces and states and the Central Government will be referred to this committee.

Rationing in Urban Areas.- The Government of India regarded the recommendations relating to urban rationing as a fundamental part of co-ordinated food plan. It also realized that planning and organization of rationing schemes would take time, but, nevertheless, urged

administrations, not already engaged on the task, to take <sup>up</sup> the work  
ce, without delay.

The Government of India has also urged the provinces and States to  
re plans for introducing card rationing in towns with a population  
e hundred thousand and over, and to introduce as early as possible,  
essential preliminary measures, such as compiling information rela-  
to streets and houses, enforcing food grains control order, establish-  
of Government grain shops, where necessary, and allocating officers  
senior staff for the duties of food control administration.

Procurement Policy.- While accepting the view expressed by the Food  
Policy Committee that a Central Government foodgrains monopoly  
i, in principle, be highly effective, the Government considers that  
is not possible to establish such a monopoly at present. For the  
procurement, ~~both~~ both on behalf of the provinces for them-  
es, whether for their own consumption or for export to deficit areas,  
on behalf of the Central Government, will continue to be carried out  
provincial or State agencies. The Central Government will, however,  
exercising such a degree of direction, superintendence and control as  
be necessary to secure the effective discharge of these functions.  
iform pattern of procurement machinery for the whole country is not  
ly to be effective, as conditions vary from province to province.

the Government would sponsor <sup>a</sup> single procurement agency for a  
e province, which should be essentially a Government procuring agency  
ciating with itself, the more important of the local trade organisa-  
s. Requisitioning may be resorted to, if considered absolutely  
ntial.

Food Supply in Deficit Areas.- In the matter of supplying Food to  
cit areas, Government proposes to proceed by two stages. The first  
will be to devise a plan of distribution as between the different  
cit areas, in the light of the declared surpluses of provinces and  
es. The plan will ~~be~~ into operation from the beginning of the  
vant crop year, the actual movements being adjusted to the harvest-  
periods of the State or province concerned. Another step of equal  
rtance ~~should~~ be to calculate, using the formula proposed by the  
Grains Policy Committee, the target deficits and surpluses of the  
inces and States to serve as a basis for discussions between the  
re and provinces or States concerned. In applying the formula,  
rd will be had to ~~all~~ all the relevant facts, such as actual crop  
itions, harvesting periods, abnormal increases in population and  
istics of past imports and exports.

( The Hindustan Times,  
dated 17-10-43 ).+

Financing Industrialisation and Post-war Reconstruction Schemes in Hyderabad State:  
Budget Proposals. ✓

The Budget for 1353 Fasli (1943-44) of the Hyderabad State introduced in October 1943, estimates a revenue of Rs. 130.2 millions and expenditure of Rs. 129.3 millions, yielding a surplus of about Rs. .9 millions. Duty on intoxicants has been increased by 50 per cent., and an excise duty has been levied on manufactured tobacco and vegetable ghee. Provision has been made for an expenditure of more <sup>than</sup> 20 millions on Education and Public Health. The Budget also provides for an expenditure of Rs. 3.32 millions to push on the "Grow-More-Food" campaign. The post of a Live-stock Officer in the Veterinary Department has also been created. The Budget Note refers to a request likely to be made to the Government of India to supply iron and steel for agricultural implements and also machinery, stores and plant for ~~the~~ Hyderabad's Post-War Reconstruction schemes. Another important feature of the Budget is the formation of three new Reserves called: (a) The Budget Stabilization Reserve; (b) The Post-War Development Reserve; and (c) the Securities Adjustment Reserve.

Post-war Adjustment.-Referring to the post-war period, the Budget Note stated that some adjustment may become necessary in the post-war period due to increased expenditure on nation-building departments like education, public health, agriculture and veterinary, but that the financial structure of the State is sufficiently strong and the untapped taxable capacity sufficiently elastic to bear the legitimate burden which a future Government may like to impose in the interest of progress and development.

Education and Public Health.- The Budget Note outlines the schemes for the expansion of education and the promotion of public health for which provision has been made in the new year's Budget. The schemes provided for under the head "Education" are :- Establishment of a technological laboratory attached to the Osmania University for students of M.Sc. in Technology (oils and ceramics). Reorganisation of over 1,100 single teacher schools. Raising the salaries of primary school Teachers. Raising 3 Boys' middle schools and 3 girls' middle schools to the status of high schools. Making provision for the teaching of agriculture in 3 middle schools for boys. Strengthening the staff of middle and high schools. Making full provision for 6 middle schools and partial provision for 15 middle schools for boys and girls. Introduction of refresher courses for teachers as a permanent feature. Opening one agricultural school at Farbhani. Raising industrial schools at Aurangabad and Warangal to the grade of vocational high schools. Opening 7 industrial schools for boys and girls in Hyderabad and Districts. Reorganisation of industrial schools. Raising grants-in-aid and awarding new grants-in-aid to private schools. Opening of about a dozen hostels. Small provision for mid-day meals for students in schools. Under the head 'Public Health', provision has been made for new hospitals, health schemes, expansion of medical facilities, launching of a malaria scheme at Nizamsagar and additional funds for medicines, diet and bedding for patients.

Expenditure on Nation-building Activities.- The Budget for 1943-44 provides for a capital expenditure of 9.037 millions, ~~the~~  
~~estimated~~

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which include expenditure on the following items : Construction of roads - Rs. 2.5 millions; Hydro-electric scheme at Nizamsagar - Rs. .85 millions; irrigation - .411 millions; railway construction - .247 millions; and district electricity schemes - .224 millions. In order to avoid excessive consumption of cement, steel and iron which are primarily required for war purposes and to check inflationary tendencies the Government has stopped all works which are not deemed 'inescapable', but it is felt that Hyderabad is in immediate need of expansion in its system of communication and accordingly a sum of Rs. 2.5 millions has been provided for this purpose which is over and above the ordinary grant of Rs. 1.5 millions. Besides this Government has undertaken to supply standard cloth and cheap grain to the labour employed on these roads and this is expected to result in a loss of Rs. .2 to .25 millions. The other important item of Capital Expenditure is that of hydro-electric scheme at Nizamsagar, preliminary investigations for which have already taken place and details will be worked out in the immediate future. This supply of cheap electric power should stimulate the establishment of suitable industries in and adjoining the Nizamsagar area, plans for which are being worked out in the Post-War Reconstruction Department.

Post-War Development Reserve.- This Reserve is being started by transferring to it any balance in excess of Rs. 30 millions from the State Stabilization Reserve as well as the future profits on coinage and interest accruing on securities held in this Reserve. In fixing the limit of 30 millions for the ~~Hyderabad~~ Government Reserve, has been guided by the practice in British India where a fixed reserve of 100 millions against a much larger rupee issue has proved adequate. Thus a reserve of Rs. 30 millions for a total metallic currency issue of Rs. 200 millions is within very safe limits. This Reserve will be utilized for expenditure on rural development, industries and financing of other productive schemes useful for nation-building which may not otherwise be considered strictly justified.

Help to Cultivators.- On this subject the Budget Note says: An important matter which is causing some anxiety is the lack of iron and steel required for maintaining agricultural implements in the villages at certain minimum standards of efficiency. The cultivator has found it difficult, in the past four years, to buy iron and steel required by him and that also at the exorbitant prices ruling in the black market. It is proposed to request the Government of India to supply the required tonnage of suitable qualities of iron and steel for this purpose so that Government could distribute these to the cultivator on equitable basis and thus encourage and help in the 'Grow-More-Food' campaign. With the welcome change in the fortunes of the war, it should be possible in the coming months to release shipping ~~taxes~~ capacity for civilian purposes and by import of necessary stores and other machinery and plant to enable industries to increase their production for these purposes. There is some scope for increasing production in Hyderabad, given the proper facilities, and the Commerce and Industries Departments ~~will~~ would place their requirements before the Government of India. The utilization of the sterling balances accumulated in Great Britain against the large issues of paper currency in India is principally a matter for the Government of India, but as the premier State interested in the Post-War development of industries, Hyderabad feels that such balances should provide the necessary exchange facility to India, including the States, when the time comes for them to place their orders for machinery and plant for industries for which plans are at present under ~~active~~ consideration.

(Hyderabad Information, October 43).

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New Development Loan in Hyderabad State. ✓

Along with other anti-inflationary measures, the Hyderabad State Government has decided to take advantage of the easy condition of the money market and to float a Development Loan at a low rate of interest. The loan is repayable at par in (October 1963) but Government reserves the right to repay the loan, or any part thereof at par in (October 1953) on giving three calendar months' notice.

The intention of Government is to embark on a policy of construction of public and other works - without unduly straining the demand for cement, iron and steel which are required for war purposes - such as roads or preparatory works for dams, etc. A similar programme for smaller hospitals and dispensaries is also under consideration of Government. Manufacturers, both in England and America, are now booking orders for the supply of machinery and plants after the war on condition that prices are fixed at the time of manufacture on the basis of certain index figures in respect of labour, costs of materials, etc. Orders now booked would receive priority and the Government intends to take advantage of this position as soon as arrangements are completed.

(Hyderabad Information,  
October 1943 issue). ✓

Progress of Government's Reconstruction Schemes:  
Review by Deputy President, Reconstruction Committee. ✓

The progress achieved by the Government of India in working out its post-war reconstruction schemes was briefly renewed by Sir J.P. Srivastava, Food Member, Government of India, and Deputy President of the Reconstruction Committee, at a Press conference held at New Delhi on 12-10-43. The programme as outlined at the conference are briefly dealt with below:

Settlement of Ex-service men: Fund of Rs.50 million built up.- The establishment of the Post-War Reconstruction Committee (the reconstitution of the Committee was referred to at pages 41-42 of our April, 1943 report) and the inter-departmental co-ordination effected under its auspices by the secretariat of the Committee, it was pointed out, have resulted in various departments of the Central Government undertaking a large amount of preparatory work, including the compilation of relevant data, which may finally materialise into definite proposals.

The Directorate of Welfare and Amenities in the Defence Department has extended the systems of district soldiers' boards and civil liaison staff, which are attending to the difficulties and problems of soldiers' families; and a survey of the land resources that might be available for the resettlement of ex-soldiers has been carried out. The problem of training suitable technical personnel in the defence services, in the period preparatory to demobilisation, for absorption in civil industries after the war, is being examined and it is proposed to establish Military Employment Bureaux in conjunction with Employment Exchange Schemes contemplated by the Labour Department for labour as a whole.

The Military Reconstruction Fund financed by per capita contributions from the Government for the permanent benefit of the enlisted classes already amounted to Rs.50 million and may exceed twice that

amount, if hostilities continue for the next two years. Proposals for the utilisation of this fund are being examined in consultation with provinces and Indian states, and they contemplate the establishment of institutions which, besides functioning as training centres for ex-service personnel to fit them for a better type of civil life, will also be supply centres for agricultural machinery, implements and other requisites as well as centres of small-scale industrial activity and employment. These institutions will also undertake 'projects' under which a thorough attempt will be made to make the best, agriculturally, of selected individual villages. The Directorate of Welfare and Amenities through its 'Current Affairs' pamphlets is educating soldiers to prepare them for their return to civil life after the war. Schemes for giving them practical training in subjects relating to rural development are also being prepared.

Surplus Industrial Labour.— The problem of industrial labour employed in all industries, including Government factories, part of which will be thrown out of employment after the war, is also being studied. The question of the re-settlement of officers and technical personnel, as well as problems connected with the further education or training of the personnel concerned, interrupted or prevented by war service, are under examination.

Road Development.— A skeleton plan for the post-war development of roads has been evolved by the technical experts of the Government of India and is being examined in consultation with the provincial Governments (and Indian states), since roads and road transport are provincial subjects. If the outlines of the scheme are acceptable, the central Government will set up the technical organization required to facilitate co-ordinated planning and schemes of development, to sponsor research in regard to road construction methods, materials therefor and their production, and to advise Provincial Governments and Indian States on all technical and specialized subjects, such as standards of surfacing, bridging, etc. The end of the war will see a large number of motor vehicles and trained drivers and these will have to be utilized to the best advantage. This problem, as well as the question of co-ordination of all forms of transport and the best utilization of each, are under scrutiny by a technical committee.

Civil Aviation.— Detailed planning is in progress in respect of air routes, services, ground organizations, training, etc., with a view to establishing a comprehensive network of air communications. An experienced officer with a full knowledge of Indian conditions is engaged on this task.

Reorganisation of Agriculture.— The Official Committee on Agriculture is examining the short term and the long-term problems connected with agricultural improvements and a senior experienced officer is preparing a report on the technological possibilities of agricultural development in India. The report will examine possibilities both under circumstances more or less as they exist today and under certain conditions of assumed basic improvements, such as, for instance, ~~maintain~~ creation of economic holdings, extended irrigation, anti-erosion measures, increased subsidiary occupations, use of superior chemical manures, etc. The experience of the post-depression and the war periods has shown that India's agriculture is no longer immune from adverse influences from outside and that in the economic sphere it is necessary to consider connected problems, such as prices, marketing, etc., against the background of world conditions and international commodity agreements. This aspect of the subject is also being



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examined.

A report on the development and utilization of forest resources and another on the development of fisheries are also under preparation. The possibility of expanding indigenous production of fertilisers is being examined by the Supply Department.

Electric Power Production Schemes.— Electrical development is the key to agricultural and industrial progress in India, and it is realised that a programme for the next 5 to 10 years is urgently needed. An official committee is actively engaged on the examination of the problems involved, including those of India's requirements of plant and equipment, the co-ordination and control of electric power supplies and the part which the central Government can play in stimulating the activities of provincial Governments and States in the respect.

Extension of Irrigation Facilities.— The question of extending irrigation facilities has been taken up specially and the problems involved will be considered in consultation with the administrations concerned. In particular, specific schemes for tube well irrigation are being drawn up as part of the Grow More Food Campaign, as well as also of the long-term development required.

Industrial Planning.— Considerable progress has also been made in connection with industrial problems. In the first instance, it is realised that there will be a scramble for the acquisition of capital goods in the early post-war period and that India must be prepared with estimates of her own requirements and make arrangements for priority of deliveries in respect of the plant and equipment required immediately after the war. Industrial organisations are proposed to be addressed regarding the requirements of each industry and estimates for the machinery required for public works and electric undertakings are being prepared. A survey of the strength and weakness of India's industrial organisation is also being made, with a view to formulating definite plans for post-war development, and the problems of post-war commercial policy, tariffs, etc., are being examined.

Social Services.— The Government of India realise that, apart from problems which emerge more or less directly out of the war, factors which increase national welfare and improve the standard of living must take a prominent place in any constructive planning of the post-war future. An official committee has been constituted to co-ordinate the activities of the various departments in respect of social services, and to ensure that the whole field is adequately covered. The Department of Education, Health and Lands have set up a committee of officials and non-officials, under the chairmanship of Sir Joseph Bhore, to examine and make recommendations on problems relating to health. The Central Advisory Board of Education is reviewing the possibilities of educational development in urban as well as rural areas. The Board has already appointed a special Committee to deal with technical education. The Labour Department ~~has~~ has also several schemes of far-reaching significance in hand. An investigation of the possibility of introducing minimum wage legislation in the case of certain employments is in progress and a scheme for the establishment of employment exchanges for technical personnel is nearing completion, and it is expected that some exchanges will be established almost immediately. A tentative scheme ~~for~~ of sickness insurance for certain ~~lower~~ classes of industrial labour has been prepared and is likely to be ready for discussion by industrialists early next year. Among other questions

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under consideration are the training of welfare officers, compulsory recognition of trade unions, model rules for provident funds, etc.

Women's Committee on Social Services.— The importance of associating women's representatives with planning for better social services is recognised, and it has been decided to constitute a women's committee on social services. The committee, which is expected to be constituted shortly, will be given full scope to advise Government in certain fields which particularly affect the womanhood of India.

Policy Committees.— The various policy committees composed of official representatives of the central, provincial and state Governments and non-official representatives of trade, industry, labour and other organisations, as well as members of the general public with expert knowledge or experience, have now been constituted. A general policy committee has also been established to deal with matters of general interest or which concern more than one policy committee.

Concluding <sup>the</sup> review, Sir J.P. Srivastava pointed out that, while considerable progress has been made, a great deal remains to be done, but with the co-operation of the non-official members of the various committees as well as the general public, the Government of India is confident that the important tasks ahead could be completed successfully.

(The Leader, dated 15-10-43). ✓

Post-War Reconstruction Advisory Committee  
set up in Bengal. ✓

The Government of Bengal has notified on 15-10-43 the constitution of a committee to advise the Government generally on post-war reconstruction problems in Bengal and to formulate schemes likely to advance the all-round development of the province. The Minister in charge of the Commerce, Labour, and Industries Department, Government of Bengal, will be the chairman (Ex-officio). The committee consists of eleven members, including Mr. N.R. Sarkar, ex-Member of the Viceroy's Executive Council, Mr. Ghulam Mohamed, Finance Minister, Hyderabad, and Sir J.C. Ghosh, Director, Indian Institute of Science, Bangalore. Mr. S. Drucquer, I.C.S., is the Secretary. ~~The committee~~

(The Calcutta Gazette dated  
21-10-43, Part I, Page 1547). ✓

Settlement of Ex-Service Men:  
Bombay Government's Agricultural  
Development Scheme. ✓

The Bombay Government's plans for the settlement of ex-soldiers in selected villages and various schemes of rural ~~reconstruction and~~ reconstruction and development were unfolded at the meeting of the Rural Development Board held at Bombay on 5 and 6-10-43.

Development of villages of ex-soldiers.— In view of the unavailability of large blocks of land for the settlement of returned soldiers, and the possible reluctance of ex-soldiers to leave their home villages, Government has decided that resettlement should be along the lines of

general reconstruction. The cost of such a scheme would be largely met from the Government of India's Post-War Reconstruction Funds. In taking up rural reconstruction work, preference will be given to villages where a fair number of soldiers and their families are found. Government has provisionally selected 20 villages in each of the two leading recruiting districts of Satara and Ratnagiri and the possibilities of an all-round development of these villages, with special reference to the problems of the returned soldier and his family, are being explored. A similar selection of villages on the basis of good recruiting figures, would be made in other districts.

The scheme of reconstruction of the selected villages would aim at a general improvement in the economic level of the countryside by anti-erosion work to prevent further deterioration in the cultivable area; contour ploughing on a large scale to conserve the available water supply to enable an extension of proper dry farming methods; afforestation; encouragement of well-sinking and, where practicable, minor irrigation, improvement in road communications and agricultural practice, extension of marketing facilities, consolidation of holdings, provision of educational and other amenities and improvement of live-stock.

Training in Agriculture and village Industries for ex-soldiers.-  
Government also has under consideration schemes for the training of ex-soldiers in agriculture and village industries, with special emphasis on ~~india~~ demonstration parties, training in industrial schools and financial assistance to trainees to set up business.

( The Times of India,  
dated 9-10-43). +

Need for Industrialization:  
Dr.B.R.Ambedkar's Address at  
Meeting of post war Reconstruction  
Policy Committee. +

In his address at the opening conference of the ~~Post-War~~ Reconstruction Policy Committee on Public Works and Electric Power, held at New Delhi on 25-10-43, Dr.B.R.Ambedkar, Labour Member, Government of India, emphasised that the main solution for the chronic poverty prevailing in India is to make agriculture profitable and that the only way to do this is to launch a vigorous drive in favour of industrialisation. He said that for the success of any such programme cheap and abundant electricity is absolutely essential.

Dr. Ambedkar said that industrialisation of the country was the surest means to rescue the people from the 'eternal cycle of poverty'. He considered it a great misfortune that India is primarily an agricultural country. Agriculture in this country has 'failed miserably' and this is especially made clear by the fact that, although devoted mostly to cultivation of food crops, she has not been able to produce enough food for her people. There is no increase in the income from land corresponding to the growth of population; on the other hand, it is really going down due to the gradual deterioration of the soil. A solution for this situation could be found only when agriculture is made profitable. "Nothing can open possibilities of making agriculture in India profitable except a serious drive in favour of ~~the industrialization~~

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industrialization. For it is industrialization alone which can drain away the excess of population which is exerting such enormous pressure on land into gainful occupations other than agriculture".

Referring to the special problems facing India in regard to reconstruction plans, he said that whereas in other countries Reconstruction Committees may have to deal with problems of resetting the organization of production from war basis to peace basis, reconditioning of rundown plant and machinery or replacement of tools and plants which have been destroyed in the war, the problem of reconstruction in India must include the consideration of all the questions with which other countries engaged in the war are concerned. It is mainly a problem of industrialisation with the ultimate aim of removing chronic poverty. "The problem of reconstruction in India, is a problem mainly of the industrialization of India as distinguished from rehabilitation of industry".

( The Hindustan Times,  
dated 26-10-43 ).

Capital Re-equipment of Industries:  
Questionnaire to be issued.

The ~~Post-War~~ Reconstruction Policy Committee on Trade and Industry, at a meeting held at New Delhi on 21-10-43, has decided the terms of a questionnaire to be addressed to industries to elicit factual data on which definite plans for post-war developments can be based.

Capital Re-equipment.- Submitting the draft questionnaire prepared by the Government of India for the consideration of the Committee, Sir Azizul Haque, Commerce Member, Government of India, pointed out that the Government was fully aware of the hardships borne by industries due to the continuation of excessive wear and tear on plants and increased difficulty of replacement. Government therefore feels that, in so far as these machineries and plants have to be imported from abroad, no time could be lost in making an aggregate estimate of India's total post-war requirements and that it is essential to place the necessary orders early enough with the exporting countries and organizations concerned.

Planning.- Sir Azizul Haque, also, stated how, since such re-equipment and expansion would necessarily bring in the question of launching new industries, there is need for a sound policy to guide such new enterprises and for a well thought-out plan of action. The kind of new machinery that will be required depends on the new industries it is desired to establish and upon the scale of operation contemplated. While realising that it is its duty to assist new industry and new enterprise, the Government also looks to the trade and industry to advise it as to what in their opinion are likely to be the scope and prospects of such new industries.

The draft questionnaire has been prepared with a view to elicit all the necessary information in this regard from the interests concerned.

(The Hindustan Times 22-10-43).

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## LABOUR LEGISLATION. ✓

### Indian Trade Unions (Amendment) Bill, 1943: Introduction and Circulation.

Dr. B.R. Ambedkar, Labour Member, Government of India, introduced in the Central Assembly on 8-11-1943 a Bill to amend the Trade Unions Act, 1926, by inclusion of conditions under which trade unions may be accorded recognition. The statement of objects and reasons appended to the Bill points out that trade disputes often occur or are prolonged because an employer refuses to recognise a trade union of his workmen. The position has not much improved since the Royal Commission completed its report and it is felt that the time has now come when the compulsory recognition of trade unions must be provided for by legislation. With all its limitations recognition by statute will at least clarify the position and give organised and well conducted trade unions the status they deserve. It may achieve much more. The present Bill provides for the compulsory recognition of trade unions under certain conditions and defines what recognition will imply. Power is taken to set up tripartite Boards of Recognition which will report on the representativeness of trade unions and their fitness to be recognised. The main conditions of recognition will be that the trade union must have been a registered union for 12 months and that it must have previously applied to the employer concerned for recognition. Unions formed on a communal or sectarian basis will not be eligible for recognition. Besides laying down the basic conditions required for recognition, the Bill allows for additional conditions to be imposed by the appropriate Government and power is given to the Central Government to issue directions to Provincial Governments in this matter. Recognition will be granted or withdrawn by the appropriate Government after receiving a report from the Board of Recognition, where one is appointed or, in other cases from the Registrar. Recognition will entitle a union to negotiate with the employer in respect of matters affecting the common interests of its members. The Bill also states the obligations of employers consequent on recognition.

On 13-11-1943, the Assembly adopted a motion to circulate the Bill for eliciting public opinion. Mr. Griffiths (Employers' Representative) while supporting circulation, criticized certain provisions and characterized the Bill as a whole as nebulous, uncertain and indefinite in many parts. He took particular objection to giving protection to labour and treating them as "hot-house plants" instead of leaving it to labour as in Great Britain to build up trade unions which were reasonable, representative and efficient.

Mr. Jammadas Mehta declared it was only because Mr. Griffiths and employers like him would not learn the lessons of experience, such as were embodied in the International Labour Conventions, that labour stood in need of protection from the State.

Mr. N.M. Joshi declared that employers had shown hostility to the trade union movement and that was the reason why the Bill was needed. Employers in many cases insisted not only on trade unions being representative, but wanted trade unions to have no politics. A standing order issued by a mill in Madura laid it down that trade unions should be

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"devoid of political or social views". Mr. Joshi asked whether Employers' Associations would like to have such conditions laid down for observance by them.

Union of Government Employees.- Sir Gurnath Bewoor replied to criticisms of the Posts and Telegraph Department's attitude to trade unions, and said that the Department was in fact the first to have recognized unions. It had a union before the last war and now had 17 all-India unions. He imagined that one of the reasons why the provisions of the present Bill were not meant to be made immediately applicable to labour employed by the Crown, by a Federal Railway or a major port was that the Government already had well-established rules for the recognition of Government Servants' unions.

Dr. Ambedkar, replying mainly to Mr. Griffiths' criticisms, pointed out that there was nothing indefinite about the conditions on which recognition was to be given to trade unions. The representative character of a union would be decided by a tripartite board to be set up under the Bill. That board could go into all the relevant circumstances, including if necessary the private character of the leaders of the union. As regards the provision about labour employed by Government, he explained that there was really no exemption given to them from the provisions of the Bill. What was provided was that a date would be fixed when the provisions would be made applicable to them.

( The Gazette of India, Part V,  
dated 13-11-1943, pages 225 to 229  
and the Hindustan Times 14-11-43 ).

(A copy of the Bill was sent to Montreal with our Minute dated D/945/43 dated 10-11-1943 ).

Government of India:

Lifting of Ban on Employment of Women  
underground in Coal Mines in Bengal  
and Bihar.

Reference was made at page 1 of our July 1943 report to the Notification gazetted by the Government of India on 2-8-1943 lifting the ban on the employment of women underground in the Coal Mines in C.P. and Berar. On 24-11-1943, the Government of India issued a Notification (No. M. 5731) exempting until further orders, all coal mines in Bengal, Bihar or the Central Provinces and Berar from the provisions of clause (j) of section 29 of the Mines Act, to the extent to which regulations made thereunder prohibit the entry of women into underground working for the purposes of employment, subject however, to the following conditions, namely:- (i) no woman shall be employed underground in galleries which are less than six feet in height; and (ii) every woman employed underground shall be paid wages at the same rate as a man employed underground on similar work.

( The Gazette of India, Part I,  
Section 1, dated 27-11-1943,  
page 1284 ).

Madras:Exemption of Certain Classes of Workers  
from Hours of Work Provisions of Factories  
Act.

The Government of Madras has gazetted rules under the Factories Act to define the classes of persons who are, subject to certain conditions, exempted from the provisions relating to hours of work and weekly rest of the Factories Act.

( Notification G.O.No.2184,  
P.W.(Labour) dated 19-10-1943:  
The Port St.George Gazette,  
Part I, Rules Supplement,  
dated 16-11-1943, pages 2 to 8 ).

Orissa:Exemption of Certain Classes of Workers  
from Hours of Work Provisions of Factories  
Act.

The Orissa Government has gazetted certain Rules to replace those already in force, which define the classes of persons who are, subject to certain conditions, to be exempted from the provisions relating to hours of work and weekly rest of the Factories Act.

( Notification No.25470-1 P-6/43-  
Com.(c) dated 15-11-1943: The  
Orissa Gazette, Part III, dated  
19-11-1943, pages 288 to 290 ).

Punjab:The Punjab Maternity Benefit Act,  
1943, (Act VI of 1943).

The Punjab Maternity Benefit Bill which was introduced in the local Legislative Assembly on 26-3-1943 was referred to a Select Committee the same day. The Bill, as amended by the Select Committee, was considered by the Assembly on 2-11-1943 and passed the same day. It received the assent of the Governor on 15-11-1943 and the text of the Act is published at pages 113 to 115 of the Punjab Gazette Extraordinary dated 20-11-1943.

The main features of the Act are: (1) It applies to all perennial factories including those brought under the Factories Act under Sec.4 (j). (2) A woman should not be employed, or work, in a factory during the 30 days immediately following the her delivery. (3) A woman worker is entitled to maternity benefit at the rate of the her average daily earnings or 12 annas a day ~~whichever~~ whichever is greater for the days she is on leave up to a maximum of 30 days preceding and for 30 days after delivery, provided she has been working under the employer from whom benefit is claimed for not less than 9 months immediately preceding the day of delivery. (4) Full benefit is payable even in case of the death of the woman worker and her child, if her death happens on



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the day of delivery or there after; if death happens earlier, employer need pay only up to day of death. ✓ +

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### SOCIAL POLICY.

#### Separate Labour Department for Bihar. ✓

It is understood that the Bihar Government is setting up a separate Labour Department at Patna at the beginning of December 1943. At present the Labour Department is a branch of the Industries Department, but as the work of the Labour Department has increased much, it cannot cope with the present work as a sub-department. It is also learnt that Mr. S.N. Mazumdar I.C.S. will be appointed Labour Commissioner.

( Vanguard, 16-11-1943 ). ✓

6

### CONDITIONS OF WORK.

#### General.

#### The Bengal Fisheries Bill, 1943. ✓

On 28-9-1943, a Bill was introduced in the Bengal Legislative Assembly by a non-official member to provide for State control, extension and improvement of the fisheries of Bengal, and protection against exploitation of people engaged in the fishing industry. The statement of objects and reasons points out that fish is one of the chief articles of diet in Bengal, but its supply is steadily decreasing and there is serious apprehension of shortage of fish in the near future unless legislation is made for State control, extension and improvement of fisheries. It is also necessary to protect the actual catchers of fish from exploitation. With the above objects in view, the present Bill has been drawn up and provisions have been made in it for protection of fries, for observance of close seasons, for catching of fish and for removal of jak, etc., and also for fixing the maximum proportion of rent realised from fishermen. ✓

( The Calcutta Gazette, Part IV-A, dated 12-11-1943, page 47 ).

Working of the Bombay Government's  
recently Set up Commercial and  
Industrial Intelligence Bureau. ✓

The working since its establishment by the middle of 1943 of the commercial and Industrial Section of the Department of Industries, Government of Bombay, is reported to be very encouraging. During the first four months of its existence, the Bureau dealt with nearly 700 inquiries of various types - from the commercial and industrial community of Bombay (580), Bombay Government departments (6), inter-provincial (170), Government of India (129) and over-seas (15).

Functions of the Body. The principal functions of the new Section are to disseminate commercial and industrial information, to collect statistics of industrial production, to prepare an authoritative commercial directory for the province, to survey the sources of raw materials for provincial industries, and to organise and maintain a technical and commercial library. This work has been split up into six divisions of which four - commercial and industrial intelligence, statistics, research and library - have already commenced work. The remaining two - industrial survey and general division - are to be inaugurated shortly. The Commercial and Industrial Intelligence division collects, collates and disseminates information to foster the growth of trade, commerce and industry in the province of Bombay. The Statistics division collects information regarding the production of industrial concerns in the province.

Industrial Survey. Information of the present quantitative production of various factories, and the possibility of expanding existing factories and establishing new ones is essential to meet the increasing demand for stores from indigenous sources. Such information is as indispensable for any scientific planning for industrial development for war emergency now as for peace-time reconstruction hereafter. At present there are only two publications issued by the Government of India which provide production statistics of some of the industries. They, however, give only very brief information about the quantity and description of articles produced and hence are quite inadequate to meet the growing demands for industrial information.

To remedy this, the Government of India passed the Industrial Statistics Act early in 1942, empowering the Central as well as the Provincial Governments to collect industrial and labour statistics under the Act. Taking advantage of this Act, the C.I.I. Section has prepared a ~~report~~ scheme for a preliminary census of Bombay's industrial production. This is the first attempt of its kind made in India. The scheme has been approved by economists and prominent Bombay industrialists and sanctioned by the Government of Bombay.

is  
 The Officer-in-Charge of the section/ Dr. S.M. Dhume, D.Sc., Ph.D.  
 (London),

( The Times of India, dated  
 8-10-1943 ). ✓

8

Working Class Cost of Living Index for  
Various Centres in India during March  
1943.

The index number of the cost of living for working classes in various centres of India registered the following changes during March 1943, as compared with the preceding month :-

<u>Name of Centre</u>	<u>Base = 100</u>	<u>February 1943</u>	<u>March 1943</u>
Bombay	Year ending June 1934	205	208
Ammedabad	Year ending July 1927	165	173
Bhopalpur	Year ending January 1938	151	180
Agpur	August 1939	234	262
Adhiana	1931-35	339	339
Amwpero	August 1939	235	248
Atna	Average cost of living for five years preceding 1914.	<i>not available.</i>	
Amshodpur	1936	255	265
Baria	Ditto	256	269
Madras	Year ending June 1936	163	170
Madura	Ditto	164	164
Chimbatore	Ditto	180	185

( Monthly Survey of Business Conditions in  
India for March 1943 ). ✓

Working of the Workmen's Compensation  
Act in Bombay in 1942. ✓

According to the report on the working of the Workmen's Compensation Act in Bombay in 1942, compensation paid to injured workers in Bombay Province in 1942 and reported to the Commissioner for Workmen's Compensation, totalled Rs. 667,960. In addition, there was the compensation paid direct for injuries resulting in temporary disablement by employers not obliged to report such payments to the Commissioner. Of the total of Rs. 667,960, Rs. 503,175 were awarded in contested cases, from voluntary deposits and paid under agreements, and Rs. 164,785 were paid by reporting employers directly to injured workmen for injuries causing temporary disablement.

The year opened with 221 cases (both applications and agreements) pending from the previous year, and 1,376 cases were ~~received~~ <sup>retained</sup> during the year, making a total of 1,597 cases. Of these 1,325 were disposed of. There were 264 cases relating to fatal accidents, 1,049 to non-fatal accidents and 12 miscellaneous. The number of applications in proceedings before the Commissioner disposed of was 534, against 489 in the previous year. Of these 161 were cases of award, 361 cases of voluntary deposits and 12 miscellaneous. Of the 161 cases of award, claims were allowed in full in 27 cases and in part in 70 cases. In three of the 13 cases dismissed, ~~ex gratia~~ <sup>ex gratia</sup> payments totalling Rs. 375 were made by employers. Indemnity was claimed and granted in seven cases.

Of the 361 cases of deposits, 211 were in respect of fatal accidents and 150 of non-fatal accidents, of which 17 related to injuries to women or minors and 133 to male adults. In seven cases of fatal accidents, deposits amounting to Rs. 10,580 were refunded to employers, no claimant having come forward. In no case did the employer desire to be made a party to distribution proceedings.

The number of agreements pending from the previous year was 99, and 784 new agreements were received for registration. The number of agreements disposed of was 791, of which 782 were for permanent and nine for temporary disablement. Of the total of 791 agreements, 774 were registered without modification and 12 after modification. In five cases registration was refused, in one on the ground of inadequate compensation and in four for other causes. The compensation paid under the 786 agreements registered amounted to Rs. 171,352, against Rs. 128,355 under 675 agreements in the previous year. The number of agreements pending registration at the end of the year was 92.

Compensation was awarded in 409 cases, against 383 in the previous year. In 178 of these cases the injuries were fatal, in 187 the result was permanent disablement and in 44, temporary disablement. The wage group most numerously represented was Rs. 27, followed by Rs. 15, Rs. 30 and Rs. 35. The number of workmen receiving compensation at Rs. 60 and above was 64, against 48 in the previous year. In two cases compensation was paid at the maximum rate.

Working of <sup>the</sup> Payment of Wages Act.— This was the fifth complete year in which the Payment of Wages Act had been in operation. The year opened with seven applications pending and 68 were filed. Of the total of 75 applications, 69 related to claims in respect of delayed wages and three to unlawful deductions. The number of workers involved was 136. Of the 38 applications decided, 23 were dismissed, five were withdrawn and 40 were allowed either in part or in full. The total amount claimed in

spect of the 68 applications was Rs.5,731-6-6, of which claims to the tent of Rs. 1,523-8-2 were allowed, with Rs. 78-4-0 for compensation d costs. In all cases the amounts of the awards were paid to the plicants in accordance with the directions and in no case was any plication for recovery received. Of the 68 new applications filed ring the year, 58 were from individual workmen and nine were group plications. The number of applications presented by trade unions was .

(Press Note No.1084 dated  
3-11-1943 issued by the  
Director of Information,  
Bombay ). ✓

11

MIGRATION.

Indians in Ceylon, 1942: Report of the  
Agent of the Government of India.\* ✓

In his annual Report for 1942, the Agent of the Government of India in Ceylon points out that of the total area of 13,212,400 acres of Ceylon, 60,000 acres are under tea, 606,000 under rubber, 1,100,000 acres under coconut and 1,272,000 under other products, the total cultivated area being 3,538,000 acres. The estimated total population of Ceylon at the end of 1942 was 6,083,000; of these about 750,000 were Indians.

Indian Estate Population.— The number of Indian labourers and their dependents on estates on 31-12-1942, was 680,785 as against 669,472 at the end of 1941, and 688,173 at the end of 1940. Of these, 203,993 were men, 197,882 women and 278,910 children. The total number of estates employing 5 or more Indian labourers and paying acreage fees to the Indian Immigration Fund on 31-12-1942, was 1,396 as against 1,359 in 1941 and 1,341 in 1940.

Migration Statistics.— "Recruitment" from India has been in abeyance since September, 1935, and the flow of labour to Ceylon estates was confined to the "non-recruited" class till 1-9-1939, when by a notification issued under the Indian Emigration Act, 1922, the Government of India prohibited the emigration of all unskilled labour to Ceylon unless specially exempted in each case by the Commissioner of Labour, Madras. The number of Indian estate labourers who came to Ceylon from India during the year 1942 was 6,814 as against 3,584 in 1941 and 3,318 in 1940. During the year under review 53,183 estate labourers (excluding repatriates) returned from Ceylon to India as against 11,243 in 1941 and 12,578 in 1940. The increase was mainly due to the general food position in the island. There were 52,461 more departures to than arrivals from India in the unassisted class during the year as against 45,242 in 1941 and 3,194 in 1940.

By an Order under the Defence Regulations dated 31-7-1942, the entry into Ceylon of any female person whose domicile was not in India or in Ceylon was prohibited except under a permit issued by the Chief Secretary. This was modified by another order on 4-10-1942 under which general exemption was granted to "any female person who (a) is a Ceylonese or is married to a Ceylonese, or (b) being an Indian, is a relative (whether by blood or by marriage) of a person resident in Ceylon". By administrative arrangement Indian women accompanying male relatives are treated as in the same position as Ceylonese women and allowed entry without permits. Indian women who are not accompanied by male relatives and who have no relations in Ceylon have to obtain permits. The restrictions are intended as an emergency measure for the duration of war.

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Annual Report of the Agent of the Government of India in Ceylon for the year 1942, published by the Manager of Publications, Delhi. Printed by the Manager, Government of India Press, New Delhi 1943. Price Rs.2 or sh., pages 41.

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Labour Position in Estates.- Both the tea and rubber industries continued to be prosperous during the period. By an announcement made on January, 1942, the export quota of tea was raised from 110 per cent. to 125 per cent. for the year 1-4-1942 to 31-3-1943. The export quota of rubber as fixed by the International Rubber Regulation Committee was 20 per cent. throughout the period under report. On 28-5-1942, however, two sets of regulations entitled the Defence (Tea Control) (Suspension) Regulations and the Defence (Rubber Control) (Suspension) Regulations were promulgated under the emergency powers of the Governor by which the revisions in the Tea and Rubber Control Ordinances relating to export coupons and exportable maxima for estates and small holdings were suspended, although control for other purposes was continued. The object of the regulations was to encourage all persons engaged in the tea and rubber industries to devote their full energy to securing, in the interests of the war effort of the Empire, the maximum quantities of tea and rubber that could be produced in and exported from Ceylon.

The ban on the emigration of unskilled labourers to Ceylon continued to be in force throughout the year; but with effect from ~~the~~ 1-9-1942, the Government of India relaxed the ban in its application to labourers already in Ceylon so as to permit them to return to the Island after visits to India. This was done purely to remove the hardship which was being caused to labourers in Ceylon by the fact that they were deterred from paying their usual visits to India on holiday, or for social, domestic and religious purposes, for fear that their return to Ceylon would be prevented by the operation of the ban. Planters in Ceylon were apprehensive that the relaxation of the ban in respect of labourers in Ceylon might result in a large scale exodus of estate labourers and consequent shortage of labour, and arrangements were made to ensure that labourers desirous of "going to Coast" ~~and~~ did so in rotation and in small numbers. The number of estate labourers proceeding on visits to India subsequent to ~~the~~ 1st September showed no appreciable increase as compared with the figures of departures from Ceylon for the previous months of the year.

The policy of ~~both~~ both the tea and rubber industries was one of "all-out" production, and there was plenty of work available for estate labourers. The small surplus of labour, which had been a feature of previous years, was completely absorbed, and by the end of the year some shortage was felt mainly for rubber tapping. The planting community made repeated representations to the Ceylon Government that additional labour from India was necessary for increased production of both rubber and tea.. On ~~the~~ 8-12-1942 the Governor of Ceylon addressed a telegram to the Government of India enquiring whether the Government of India, notwithstanding their ban on emigration to Ceylon of unskilled labour other than labourers already in the island, would consider the special recruitment of labour to meet the war emergency on the following terms:- (a) pay and conditions of employment identical with those of other Indian labour; (b) repatriation to India at the end of the war or other period stipulated by agreement. (These negotiations fell through at the beginning of 1943; vide pages 17-19 of our February 1943 report ).

Labour Organisation and Trade Disputes.- Various measures were taken during the year to ensure the continuous and efficient functioning of essential services. In November 1941 ~~xx x xunt~~ a set of regulations under the emergency powers of the Governor had been issued making provision for securing that enough workers were available in undertakings engaged in "essential work" and for prohibiting absence of workers in such undertakings without reasonable cause. The regulations also gave power to the Governor to make provision by order for prohibiting strikes.

d lockouts and for establishing a tribunal for the settlement of trade disputes in "essential services". An order under this provision entitled "Essential Services (Avoidance of Strikes and Lockouts) Order, 1942", was issued on 19-3-1942, and on 17-4-1942 various services including "all business or undertakings concerned in the production, manufacture, sale or exportation of tea or rubber" were declared to be essential services. The order also provided for any such dispute being referred to a District Judge or any other impartial person for settlement. Employers are prohibited from employing any workmen in any essential services on terms and conditions of employment less favourable than the "recognised terms and conditions of employment"; and "recognised terms and conditions" include terms arrived at by an agreement in settlement of a trade dispute.

The Sama Samaj Party, who were running the All Ceylon Estate Workers' Union, of which a considerable number of Indian labourers were members, was declared to be an illegal organisation early in the year. On 1-8-1942 an order was made under the Defence Regulations prohibiting the holding of public meetings within certain specified areas without the prior permission of the Minister for Home Affairs. The areas specified included the majority of the Indian labour population. A resolution was passed by a private member in the State Council protesting against the order restricting the right of public meetings as uncalled for in the present circumstances and as a serious infringement of the liberty of the subject. It was debated on 3-9-1942 and carried by a large majority. As a result of the debate an order was published on 11-9-1942 that no permission of the Home Minister was necessary in respect of the following categories of meetings: those relating to food production and air raid precautions, religious services in places of worship, and public meetings held under the auspices of any local authority or convened or presided over by a member of the State Council. Meetings relating to the welfare of labourers at the instance of trade unions or others were not covered by the general exemptions. The general attitude of the planters in regard to the right of entry into estates of labour leaders was the same as in the previous year, namely, that there was no such right, but that if permission to enter is asked for, it would be granted at the discretion of Superintendents provided certain conditions are satisfied.

The result of the various factors mentioned above was that there were not many outward manifestations of trade union activities during the year, although conferences under the Seven Point Agreement continued to be held. There were no strikes of any magnitude or importance during the year. There were however stray cases of cessation of work, in only one of which 200 or more labourers were ~~involved~~ involved. The tendency on the part of employers to discharge labourers who were considered to be "undesirable" continued, but it was not difficult for the labourers concerned to secure employment elsewhere. One District Planter's Association put forward the view during the year that the existing machinery for the settlement of labour disputes, namely, the Seven Point Agreement, was no longer workable. Though the Central Planters' Association did not support this view, it made representations to the Minister for Labour, Industry and Commerce against the present constitution of the Unions and their working. Towards the end of the year a conference was called by the Minister with representatives of the planting interests and labour organisations to consider the possibility of improving the Agreement. The main points discussed at the conference were:- (1) the alleged unsuitability of trade union representatives; (2) the taking up by Unions of what the planters regarded as petty cases; and (3) the participation of Unions in political activities, but no final decisions appear to



have been reached. As regards (1) Unions naturally resent what they regard as an attempt on the part of Superintendents to interfere with their right to choose their own representatives; and the Controller of Labour himself has, in his administration report for 1941, stated that on the whole trade union representatives displayed a greater sense of responsibility in dealing with labour disputes". As regards (2), discharge though petty from the employers' point of view, may in many cases be of vital importance to the labourers concerned. As regards (3), it has been pointed out that certain political activities are necessary for the improvement of the working condition of labourers and that in any case the Trade Unions Ordinance provides for the constitution of a political fund for the promotion of certain political objects.

New Conciliation Legislation.— Two Conciliation Boards appointed during the previous year to enquire into disputes arising from the discharge of certain labourers submitted their reports in January 1942. In both cases the Boards recommended the reinstatement of the labourers, but the recommendations were not accepted by the managements concerned. It is reported that the draft of the new Trade Disputes (Conciliation) Ordinance has been prepared, but that certain amendments to it are under consideration. Under the Essential Services (Avoidance of Strikes and Lockouts) Order, 1942, three cases of trade disputes were referred by the Controller of Labour to a District Judge for adjudication during the year. As regards the draft of the proposed Ordinance to provide for a special civil process for the eviction of estate labourers, it is understood that the Executive Committee of Labour, Industry and Commerce has decided not to proceed with the Bill for the present. This decision seems to have been facilitated to some extent by the fact that Indian representatives were not altogether satisfied with the Bill, under which it would still have been open to an employer to resort to the criminal court if he chose to do so. There were 30 cases, involving 40 persons, of prosecutions for criminal trespass of labourers who continued to stay in their line rooms after discharge, and 6 were convicted.

The Officers of the Labour Department spared no pains to bring about amicable settlement of trade disputes and to establish personal good relations between the representatives of employers and employees at conferences held under the Seven Point Agreement.

Minimum Wages.— The following rates of minimum wages continued to be in force up to the 30th April, 1942:—

	Men. Cts.	Women. Cts.	Children. Cts.	
Up-country.	54	43	32	With issue price of rice not exceeding Rs. 4/80 per bushel.
Mid-country.	52	41	31	
Low-country.	50	40	30	

It was stated in the last report that following the publication of the Report of the Special Officer on the family budget of Indian Estate labourers, the Board of Indian Immigrant Labour had recommended a revision of the rates of wages so as to give a minimum wage of 57 cents a day for male labourers in the up-country areas, with the issue price of rice at Rs. 4/80 per bushel and had also approved a scheme for the grant of a Dearness allowance varying with a cost of living index figure to be reported by the Labour Department keeping the price of rice constant. The question came up for the decision of the District Estate Wages Boards in January and after considering the varying recommendations made, the

Board of Indian Immigrant Labour approved an all round increase of the basic wage by 3 cents, and decided that the dearness allowance for men, women and children should be in the proportion of 5:5:3. By a notification in the Gazette, dated 31-3-1942, the following rates of minimum wages came into legal force on the 1-5-1942, viz.,

	Men. Cts.	Women. Cts.	Children. Cts.	
Up-country.	57	46	35	With issue price of rice
Mid-country.	55	44	34	not exceeding Rs. 4/80
Low-country.	53	43	33	per bushel.

together with a "dearness allowance" for each labourer (based on the cost of living index number for Indian labourers ascertained by the Department of Labour) of such amount each working day as may be fixed by the Controller of Labour by notification published in the Gazette.

The steady increase in the rates of dearness allowance consequent on the rapid rise in commodity prices gave rise to a good deal of criticism of the whole scheme of the allowance by representatives of the planting community. It was alleged that the payment of the allowance leads to slackness and low out-turn, and it appeared from some complaints received from labourers that a few Superintendents were insisting on increased output owing to the increase in the money rates of wages. The basis on which the Labour Department was calculating the rates of dearness allowance was also questioned, and in July an informal committee, consisting of the Deputy Controller of Labour and 3 members of the Board of Indian Immigrant Labour, was constituted to advise the Labour Department from time to time in regard to the items of expenditure to be taken into consideration in working out the cost of living index figure on which the rates were based. The fact that the rates of dearness allowance remained unaltered from October onwards notwithstanding increase in prices was commented on by labour representatives and others. Meanwhile, the representatives of the planting community had been making repeated representations - (1) that the ~~ratio~~ ratio 5:5:3 adopted in the rates of allowance for men, women and children was wrong and should be fixed at 5:4:4; (2) that the rates of dearness allowance for up, mid and low country areas should be in proportion to the minimum rates of wages for those areas; and (3) that ~~there~~ as the labourer was entitled to 3 days work in the week, the number of working days in the month should be fixed at 24. At the end of the year it was understood that a special committee consisting of the Chief Secretary, the Financial Secretary, the Minister for Labour, Industry and Commerce and the Civil Defence Commissioner had been appointed to examine the whole basis for the calculation of the dearness allowance as well as the war allowance for Government servants, and that representatives of employers and trade unions had been invited to give evidence before the Committee.

Wages Boards Ordinance.- No wages boards or district wages committees were constituted under this Ordinance during the period. A notification by the Minister for Labour, Industry and Commerce containing a proposed order under Section 6(1) applying the provisions of Part II of the Ordinance to the tea and rubber industries was published in the Gazette, dated 27-3-1942. Another notification, that the Minister for Labour, Industry and Commerce intended to apply the provisions of Part II of the Ordinance to the coconut trade, was published on 31-3-1942.

Workmen's Compensation.- During the year 1942 there were 31 cases of fatal accidents among Indian workmen and a sum of Rs. 17,730 was awarded and paid as compensation. The number of cases of permanent

partial disablement among Indian workmen was 88 and the amount awarded Rs. 29,299/32. Compensation in respect of temporary disablement in non-fatal accidents is payable by the employer direct. Information regarding such cases and the amount of compensation paid to the injured in respect of them is not available.

Trade Unions.- The total number of registered trade unions among Indian labourers at the end of the year was 4 as against 9 in the previous year. The total membership was 108,482.

Housing.- Of the 785 estates inspected during the year, there were no over-crowded lines on 56%, and 84 had "slightly overcrowded" lines. Of the 108,385 line rooms inspected during the year, 83,069 were up to the Government requirements and 22,316 were found not up to the requirements. Superintendents are generally alive to the necessity of providing their labour force with improved line accommodation, but building programmes have mostly been suspended owing to the prohibitive cost of building materials under present war conditions.

Maternity Benefits.- The new Maternity Benefits Ordinance was in operation throughout the year, but there are still many labourers who are ignorant of its provisions and consequently fail to secure the cash benefits prescribed therein. The Controller of Labour has reported that 323 estates were certified by him, under section 5(1) of the Ordinance, up to the end of December 1942 as entitled to provide alternative benefits prescribed by the regulations made under the Ordinance. Of these, certificates issued in respect of 11 estates have since been withdrawn. ✓

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AGRICULTURE.

The Bengal Money Lenders (Amendment) Bill,  
1943. ✓

On 28-9-1943, a Bill was introduced in the Bengal Legislative Assembly by a non-official member to amend the Bengal Money Lenders Act, 1940. It is pointed out that the main purpose of this amendment is to give better and more effective relief to debtors. The practical working of the Act shows that in the majority of cases no relief can be granted by the courts because of the technical difficulties created by the definition of the expression "suit to which this Act applies". It is invariably seen that the more intelligent section of the money-lenders had purchased valuable properties in execution proceedings for a fractional share of the decretal dues and allowed the balance to be barred by limitation without taking any steps in execution, whereas others in similar circumstances kept alive the decree and are now hit by the Money-Lenders Act. This has caused ~~heartburning amongst the~~ <sup>heartburning amongst the</sup> class of money-lenders. In former case, the debtor too cannot get the intended relief. The Bill provides for settlement of these cases.

It has been held that a decree in a mortgage suit cannot be reopened for the purpose of granting instalments only. In these days of all-round economic depression and in view of the recent devastations caused by floods and cyclones, the granting of instalments should be treated as an appropriate relief. The proposed amendment seeks to grant this relief of paying decretal dues by easy instalments.

( The Calcutta Gazette, Part IV-A,  
dated 18-11-1943, pages 48 to 49 ) ✓

Provision of Warehouses for Agricultural  
Produce in Bengal: Report of Board of  
Economic Enquiry.\* ✓

Reference was made at page 26 of our September 1940 report to the investigations begun by the Board of Economic Enquiry, Bengal, into the desirability and feasibility of establishing ware-houses for agricultural produce in Bengal. The Report of the investigations on the problem has now been published; a summary of the more important findings is given below:

Produce for which storage facilities are needed.— Storage facilities are now generally needed in this province for the following main agricultural produce:— (1) Jute; (2) Paddy; (3) Pulses; (4) Oilseeds; (5) Chillies; (6) Tobacco; (7) Ginger and some other spices; and (8) Potato, onions, and garlic. Of these, jute is an out and out commercial product

\* Government of Bengal-Board of Economic Enquiry, Bengal: Report on the investigations made in connection with the enquiry about the desirability and feasibility of establishing warehouses for Agricultural produce in Bengal. By Nihar Chandra Chakravarty, M.A., B.C.S., Secretary, Board of Economic Enquiry, Bengal. Superintendent, Government Printing, Bengal Government Press, Alipore, Bengal, 1943. For official use only, Pages 41.

while the other commodities are grown partly for consumption and partly for sale, such sale also being mostly inter-district and scarcely extra-province transactions. This of course, does not take into consideration, the problem of storage of agricultural products imported from outside Bengal.

Classes of Persons who need storing facilities.— As regards the classes of persons who require storage facilities, these differ in cases of the different produce. The following description will give some idea of the classes of persons who handle and consequently require storing facility for the different produce:— ~~(i)~~ Jute. (1) Grower; (2) Village trader or Faria, Bepari or Paikar, Commission agent, Purchasing agent; (3) Merchant, Katcha Baler, Aratdar; (4) Pucca baler, Mills; and (5) Wholesalers, shippers and exporters. Paddy. (1) Grower; (2) Village trader (called Faria, Bepari, Paikar, etc.); (3) Wholesalers at growers' end; (4) Mills; (5) Exporters; and (6) Wholesaler at consumers' end. Other articles. (1) Grower; (2) Village trader, Faria; (3) Wholesaler at growers' end; and (4) Wholesaler at Consumers' end.

The types of existing godowns.— The existing stores or godowns of the province are of the following types:— (i) Big earthen jars, cane or bamboo pots; (ii) Platforms constructed with wooden planks or split bamboo in huts of growers under the thatched or corrugated iron roofs; (iii) ~~Maraish~~ <sup>classy stores for katcha</sup> (iv) Sheds (or rooms in sheds) constructed on katcha plinth with corrugated iron walls and roofs; (v) Sheds (or rooms in sheds) constructed with pucca plinth and occasionally pucca walls, but corrugated iron roof; and (vi) Pucca buildings or rooms thereof.

Estimated number of Pucca and Corrugated Iron Godowns.— It is not possible to make any dependable estimate of the number of godowns in the Province without a more detailed enquiry. It is however clear that, even apart from the godowns of well-to-do growers, there must be no less than about 4,000 pucca and corrugated iron godowns. With marketable production of jute alone at about 40,000,000 maunds per year, and taking the average capacity of each godown as 5,000 maunds, the estimated number of godowns would be in the neighbourhood of the number stated above on the basis of half the produce being godowned by the trade at a time. The capacity of the warehouses need not be included in this calculation as these belong generally to the balers, wholesalers and mills, to whom the jute produce comes only ultimately. Besides, some of the godowns are used for the storing of products other than jute, viz., pulses, oilseeds, tobacco, chillies, etc.

Estimate of average present cost of storage.— The rates of rent vary so much in different areas and in different years and also according to the type of godowns that it is difficult to give any general estimate for the province as a whole. Godowns and warehouses owned by the different classes of people also fetch rent at varying rates. From facts ascertained, it can however be stated that the average storage charges at present outside Calcutta are from 2 to 3 pies per maund per month for paddy (Rs. 2 to Rs. 5 per hundred bags per month) and 4 to 8 pies per jute and 3 to 6 pies for other commodities. These charges do not cover insurance of stock. These estimates do not, of course, apply to the growers' storage in the indigenous system which costs practically nothing at all.

Adequacy of storing facilities. - The Traders of all classes and the mills, balers and wholesalers have got fairly adequate storage facilities at reasonable charges. For mere warehousing as such, they do not feel any need for additional facilities to be provided by the State or ~~by~~ any other method. As regards the growers, they also do not feel ~~the~~ need of any facility for storage as such, so long as they sell and have to sell their produce as early after the harvest as is possible, as at present. Considered from the point of view of holding the produce for better markets, the growers, specially the poorer ones, have practically no facility except for paddy in the paddy growing tracts. As regards warehousing with a view to obtain credit on the pledge of produce, the grower and the petty traders have practically no warehousing facility at all.

Existing Needs and Facilities of Marketing Credit and Finance. - The position in respect of existing needs and facilities of marketing credit and finance may be summarised as follows: -

(1) The growers have practically no facility to obtain credit by pledging their produce except in some areas where there are small aratdars (professional salesmen), but in such cases ~~they~~ <sup>the grower</sup> has to pay high interest and a commission on the sale together with a number of small minor charges which do not in the long run make it profitable for him in most cases to take the assistance of the aratdar.

(2) The petty traders can obtain credit from ~~the~~ <sup>the</sup> aratdars to the same extent and subject to the same disadvantages as the growers. Apart from this, they have to rely on their own credit to raise necessary loans from the local banks, loan offices or mahajans (money-lenders).

(3) The purchasing agents and petty commission agents do not require any warehousing facility and the money required by them ~~are~~ <sup>is</sup> obtained from the bigger merchants for whom they purchase.

(4) The bigger merchants, in places where there are suitable banks or branches of big banks, may have advances against the produce if they have good godowns which can be secured by locks and easily guarded by the banks. Merchants in other centres ~~or~~ <sup>there</sup> without such godowns have to rely on their own credit and goodwill for credit. As by far the larger number of merchants falls in the second category, they cannot be said to have adequate credit facilities.

(5) The balers, wholesalers, shippers and millowners have facilities of obtaining credit from the larger banks by hypothecation of the goods in their godowns to such banks. The higher the reputation of the firm, the greater is the facility. The comparatively less ~~renowned~~ <sup>known</sup> firms get less facilities. The Marwari merchants are also financed by the other rich businessmen of their community through Hundi (indigenous bank) and in other ways, an assistance which is not as frequently and easily available to the Bengalee merchants.

It follows from the above that the growers are in the greatest need of being provided with facilities of credit against pledge of produce. The petty traders and bigger merchants are next in importance as classes of persons requiring credit, while in the upper classes of <sup>the</sup> business world the facility is fairly if not wholly adequate. The fact that there is no law giving a clear title to the financier over ~~the~~ <sup>the</sup> pledged produce

and the fear that produce pledged may theoretically be attached for a prior debt - has deterred the progress of produce pledge - financing in the past.

Views of Growers and Mufassil Traders re. Establishment of warehouses for Agricultural Produce. - The general trend of opinion of mufassil people concerned may be summarised as follows: (1) They generally welcome the idea of warehouses; (2) State warehouses or warehouses guaranteed by State are preferred; (3) Co-operative warehousing may be attempted as <sup>an</sup> experiment, but people are not hopeful about the success of such a venture. The credit against pledge of produce will, in such cases, have to be given by the Co-operative Department; (4) Local financiers would be willing to advance money on reasonable interest against goods ~~would~~ placed in warehouses under reliable control; (5) Grading of goods would not be essential for credit, but without grading the percentage of <sup>low</sup> value of the produce to be advanced as loan would remain lower than would be the case if goods were graded; (6) To give the benefit of warehouses to growers, these should be set up in areas within easy reach of the growers of all localities; and (7) If the local financial resources can be attracted to business, the resources of the Reserve or Scheduled Banks would not be much needed for agricultural marketing credit in the rural areas.

The report also discusses the problems connected with the grading and pooling of agricultural produce and the selection of localities for starting experimental warehouses.

( A copy of the report was sent to Montreal with our Minute :  
D. / /45, dated -11-1945 ). ✓

Improvement of Bihar Irrigation:  
33,000 Volts Electric Line Plan. ✓

A 33,000-Volt Electric line from Patna to Bihar-Shariff via Buktyarpur and from Bihar Shariff to Kangarsarai is the central feature of a scheme to improve the irrigation of south Bihar by tube wells. The power will be generated at Patna and distributed over subsidiary lines carrying 11,000 volts from which power will be tapped for local tube wells. Besides assisting irrigation of rabbi-growing areas, the line will be a component part of the electric grid system. A press note issued by the Government of Bihar says that Sir William Stampe, Irrigation Adviser to the Government of India, has been able to arrange with the British Government for the necessary priorities of supply of plant and materials, and in collaboration with him a scheme has been drawn up to which the Government of India, in view of the importance of all measures likely to increase the food supply, has offered financial assistance. For the purpose of implementing the scheme, the provincial Government have set up an Emergency Board under the <sup>Bihar</sup> presidency of the Chief Engineer, Public Works Department. In addition to the above scheme, plans are under consideration for the procurement of two or more mobile generating sets which would enable water to be pumped during the dry season from the sub-soil supplies, which ~~are~~ <sup>are</sup> beneath the apparently dry river-beds of streams flowing from the Chota Nagpur plateau to the Ganges.

It is calculated that if the facilities provided by all these

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schemes are utilised by the cultivators to the full, it should be possible to add 468,000 maunds of food grains to the production from these areas.

( The Times of India, 1-11-1943 ). ✓



NAVIGATION.Demand for Equal Treatment of Indian Seamen:  
Memorandum by All India Seamen's Centre in  
London. ✓

According to a Reuter's message from London, dated 9-11-1943, the All India Seamen's centre in London, which is associated with the International Transporters' Federation, has issued a memorandum demanding a square deal for Indian Seamen. The demands made by the Federation are: (1) shipowners and seamen's organizations should be required to agree upon the rate of wages which would achieve equality of treatment; (2) the convention on "placing" of seamen adopted by the International Labour Conference in 1920 should be ratified by the Government of India. This would end the present practice of bribery and corruption; (3) working hours should be regulated in accordance with the International Convention of October, 1936, overtime properly remunerated and holidays with pay arranged; (4) the scale of compensations should be made adequate and become operative forthwith; (5) a unified scheme of social security insurance should be introduced, covering accidents, sickness, unemployment, invalidity, old age and death; and (6) proper arrangements should be made for the accommodation of Indian seamen aboard and ashore with facilities for buying such articles as tobacco while ashore.

The memorandum declares that the argument that the cost of living is less in India no longer holds. There are about 40,000 Indians in British ships and the number may be expected to increase. They had no increase in wages since 1920. Many thousands have not seen the home country since the war began. Regarding the second demand, the memorandum says that in Calcutta three million rupees were paid annually in bribes to get jobs and shipowners had been of little help in trying to stop this illegal exploitation.

( The Hindustan Times, 12-11-1943 ) ✓

PROFESSIONAL WORKERS, SALARIED EMPLOYEES  
AND PUBLIC SERVANTS.

Revised Leave Rules for Press Employees:  
Government of India Notification. ✓

The Government of India has gazetted revised Leave Rules for (1) permanent salaried industrial employees below the grade of overseer and (2) permanent piece workers in the Government of India presses, whose service is classified as "superior" under the Civil Service Regulations.

Permanent Salaried Employees.— Earned leave at the rate of 1/11 th of the period spent on duty with power to accumulate or to take leave up to 90 days is granted. Leave on medical certificate up to 6 months may be taken; total leave on medical certificate during an employee's service is limited to 12 months. Extraordinary leave may be granted when no other leave is admissible or when the employee asks for this kind of leave; no leave salary payable during extraordinary leave. Leave cannot be claimed as of right, the Manager of the press having the right to refuse or revoke leave.

Injury leave at half pay rates may be granted to an employee who is injured in circumstances which would have given rise to a claim for compensation under the Workmen's Compensation Act, if he had been a workman as defined therein, whether or not clause (a) of the proviso to sub-section (1) of section 3 of that Act is applicable. Such leave shall not be deemed to be leave on medical certificate for the purposes of rule 3. It shall be granted from the commencement of disablement for so long as is necessary, subject to a limit of two years for any one disability and a limit of five years during an employee's total service, including service, if any, on the piece establishment. The salary payable in respect of a period of leave granted under this rule shall, in the case of an employee to whom the provisions of the Workmen's Compensation Act, 1923 (VIII of 1923), apply, be reduced by the amount of compensation paid under clause D of subsection (1) of section 4 of that Act.

Permanent Piece Workers.— Leave on full pay will be granted to piece workers according to their service as shown below :—

Length of Service.	Leave admissible.
Less than 10 years	16 days in each calendar year.
10 years but less than 15 years.	23 days in each calendar year.
15 years and above.	31 days in each calendar year.

The leave will be non-cumulative, i.e., any leave not taken during the year will lapse without any monetary compensation. Gazetted holidays actually enjoyed may, at the option of the piece-worker, be counted against any leave admissible to him and if so counted, will be paid for. Leave on medical certificate on half pay may be granted up to six months when no leave on full pay is admissible. The total amount of leave on medical certificate admissible to a pieceworker during his service shall not exceed twelve months. Extraordinary leave may be granted when no other leave is admissible, or when, other leave being admissible, the piece-worker applies in writing for this leave. A piece-worker on extraordinary leave is not entitled to any leave salary.

Injury leave at half pay rates may be granted to a piece-worker

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who is injured in circumstances which would have given rise to a claim for compensation under the Workmen's Compensation Act, if he had been a workman as defined therein, whether or not clause (a) of the proviso to sub-section (1) of section 3 of that Act is applicable. Such leave shall not be deemed to be leave on medical certificate. It shall be granted from the commencement of disablement for so long as is necessary, subject to a limit of two years for any one disability and a limit of five years during a piece-worker's total service, including service, if any, on the salaried establishment.

( Notification No. F7(55)-R 1/43  
dated 3-11-1943: The Gazette of  
India Part I, Section 1, ~~dated~~  
6-11-1943, pages 1208 to 1210 ). ✓

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CO-OPERATION AND COTTAGE INDUSTRIES.

Madras Co-operative Societies (Amendment) Act,  
1943. (Act XX of 1943) ✓

on 13-10-1943

The Governor of Madras promulgated the Madras Co-operative Societies (Amendment) Act, 1943 (Act XX of 1943). The statement of objects and reasons appended to the Act states that many co-operative societies in the areas transferred from Madras to Orissa have members who reside in the former Province. The Madras Co-operative Societies Act, 1932, contains no provision for the enforcement of awards obtained by such societies in Orissa against persons residing in the Madras Province. At the request of the Government of Orissa and as part of the reciprocal arrangement with that Government, the Madras Government examined the question of amending the Madras Co-operative Societies Act, 1932, in order to facilitate the enforcement of such awards. The Act incorporates necessary provisions for the purpose.

( The Fort St. George Gazette,  
Part XV-B, dated 26-10-1943,  
pages 107 - 108 ). ✓

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LIVING CONDITIONS.

Housing.

Bengal Housing Bill, 1943: Non-Official  
Legislation introduced. ✓

A non-official Bill was introduced in the Bengal Legislative Assembly on 28-9-1943 to regulate the letting of small houses to working classes. The statement of objects and reasons points out that it has been a long-felt grievance of the tenants that owing to lack in respect of sanitation, ventilation, ~~and~~ regular repairs, ~~and~~ proper control of houses occupied by the working-classes, the residents suffer from various difficulties <sup>and</sup> privations through diseases, especially of the respiratory organs.

The new measure is to apply to houses of a monthly rental not exceeding Rs. 20/- in Calcutta and Rs. 10/- in other areas in municipalities and industrial areas, and provides that local authority may make bye-laws in respect of such houses: (a) for fixing from time to time the number of persons who may occupy such a house and for the separation of the sexes therein; (b) for the registration and inspection of such houses; and (c) for enforcing drainage and promoting cleanliness and ventilation. ~~of such houses.~~

( The Calcutta Gazette, Part IV-A  
dated 18-11-1943, pages 52 to  
54 ). ✓.

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SOCIAL CONDITIONS.

Madras Prohibition (Suspension) Act,  
1943. ✓

The Governor of Madras promulgated on 3-11-1943 the Madras Prohibition (Suspension) Act, 1943, to provide for the suspension of the operation of certain provisions of the Madras Prohibition Act, 1937, in the districts in which it is now in force and the revival of the Madras Abkari Act, 1886, in those districts. The statement of objects and reasons appended to the Act states that experience has shown that prohibition cannot be enforced in the absence of public support. In spite of the efforts of the prohibition staff and the enhanced penalties imposed by the Madras Prohibition (Amendment) Act, 1942 (Madras Act XXX of 1942), illicit distillation and kindred offences have increased enormously. Further, it is considered necessary to secure for the Government, by taxation, the profits now being made by the numerous dealers in illicit liquor.

( The Fort St. George Gazette, Part IV-F,  
dated 16-11-1943, pages 111 - 114 )..

The repeal of prohibition has been criticised by Mr. C. Rajagopalachari, Ex-Premier of Madras, whose Government initiated prohibition, as also by the press. The following editorial comments on the ~~measure~~ <sup>measure</sup> and a Government communique explaining it are reproduced from the Hindu of 17-11-1943: "It is a deplorable decision from every point of view. It betokens a contempt for public opinion which is scarcely veiled by the idle assertion that the public is really indifferent to the whole affair. . . . The increase in the number of illicit distillation and other prohibition offences is obvious, but no one who interprets it in a purely objective and scientific spirit will be so upset by it as the Government profess to have been. . . . The other arguments advanced by the Government are equally fallacious. Persons engaged in antisocial activities will hardly be deterred from their evil courses if they are <sup>let</sup> ~~persist~~ sufficiently the Government will be forced to withdraw the wholesome laws and restraints that irk them. It is puerile to suggest that in the present food shortage, a licit supply of toddy should be welcome as an addition to their food resources which "should not be denied to the labouring classes". In the first place, whatever there is of value in the toddy is not now wasted, but is converted into food of other kind. Moreover, is it not the case that with this money, the poorer classes, whom the Government so unfortunately invite to spend on liquor, could purchase rice, millets and other food of immensely far greater dietic value? Surely, the money spent on toddy and saved from food will increase the evil of malnutrition. . . . The last argument based on the need to combat inflation is no less extraordinary. In so far as the new Act provides fresh luxuries to spend money on, it will constitute an accession of strength to the inflationary forces. The Government further ignore the fact that not all monetary reserve a person possesses is legitimately taxable. It is not fair to seek to tax the poor villager out of the few copper or nickel coins or one rupee notes he possesses. Is it the case that the Government propose to tax only the "profits now being made from illicit sales" which now "are escaping taxation"? Decidedly not. The contention that they have use for additional revenue is no justification for despoiling the poorest of the poor of their most meagre and precarious earnings". ✓

Extension of Village Medical Aid Scheme  
to Backward Classes in Bombay. ✓

An extension of the village medical aid scheme to assist the Backward Classes has been decided upon by the Government of Bombay. The Surgeon-General has been asked to submit the necessary proposals. The decision has been made as a result of the recommendations of the Committee appointed to consider means of improving the condition of the Backward Classes. The Committee proposed that 400 to 500 chests of simple remedies for common ailments and diseases should be kept by school teachers in villages in backward areas. The Government has decided that, as it is not possible to extend the subsidised medical practitioners' scheme for the present, because of the paucity of medical practitioners, the village aid scheme should be expanded. This scheme has already proved useful in districts such as Khandesh and Broach.

The Director of Public Health has been asked to submit proposals for slum clearance, which the Committee regarded as very important for the health of all poorer classes. The Government, however, considers that no further progress is possible during the war in the provision of better village sites and houses.

As recommended by the Committee, the Government will consider making grants to voluntary agencies working for the uplift of the Backward Classes whenever the Backward Class Officer is convinced that such aid is justified on the merits of an agency's work.

( Press Note No. 1085 dated  
3-11-1943 issued by the  
Director of Information,  
Bombay ). ✓

1st Meeting of Health Survey and

Development Committee, 26 to 28-10-43. ✓

Reference was made at page 35 of our October 1943 report to the constitution of the Health Survey and Development Committee under the chairmanship of Sir Joseph Shore, ~~set up by the Government of India~~ to enquire into public health conditions in the country. The first meeting of the committee was held at New Delhi on 26, 27 and 28-10-1943. Sir Jogindra Singh, Member in charge of public health in the Viceroy's Executive Council, opened the meeting.

Viceroy's Message.— Lord Wavell, Viceroy of India, in a message to the meeting, remarked that India had traversed only a small part of the road towards national health, stressed the importance of slum clearance and rehousing, proper water supply and sanitary systems, anti-malaria work, maternity and child welfare work, and village medical services. He referred to India's poverty, "that heavy disability which lies upon all agricultural countries whose populations are large and whose individual holdings of land are small", and emphasised the need for exploring the possibility of improving the production of home-grown drugs and the need for the development of research organizations in addition to those already set up.

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Sir Jogendra Singh's Address.- Sir Jogendra Singh, in his opening address, said that it was inconceivable that in the future India should be content with the slow progress of the past. Public opinion ~~xxxxxx~~ would demand, a resolute, simultaneous, attack on three evils which went hand-in-hand --- want, ill-health and ignorance. For his part, he firmly believed that the best guarantee of future progress was to endow the rural population with increasing purchasing power, to trust the large agricultural population and place all the available money in their frugal and careful custody, to be drawn upon for their good when development plans were ready.

Subjects Discussed.- The Committee surveyed, in addition to the present state of public health, various aspects of their subject of their enquiry including, (1) environ mental hygiene, (2) nutrition, (3) chief diseases, (4) maternity and child welfare, (5) ~~health~~ education, (6) medical relief, (7) mental hygiene, (8) control of drugs trade and production of drugs, (9) health of industrial workers, (10) public health organisation and co-ordination, (11) medical research, and (12) professional education.

Nutrition.- Regarding nutrition, the following aspects were referred to : (a) Malnutrition - deficiency diseases - unbalanced diets - remedial measures in cooperation with agriculture, animal husbandry, forestry, irrigation, cooperative and education departments; use of synthetic vitamins; (b) under-nourishment; (c) nutrition departments in Provinces; (d) nutrition research; (e) propaganda; and (f) developmental plan of more adequate nutrition for the population; the establishment of permanent food departments - Central and Provincial - to coordinate measures for the production and distribution of food.

Industrial Health.- Under industrial health, the following points were discussed: (a) administration, central and provincial; (b) medical aid; (c) occupational diseases; provision for periodical examination; (d) accidents; (e) environmental hygiene in the factory; (f) housing; ~~(g) nutrition; (h) welfare services; (i) maternity and sickness benefits; (j) compensation for disablement; (k) provision for unemployment and old age; and (l) planned regional zoning of~~ ~~xxxxxx~~ industry.

Sub Committees Appointed.- The committee's plan is to issue a comprehensive Questionnaire and invite those who can help to give their views. Five sub-committees have been formed to cover some of the more important aspects of the whole problem.

Dealing with the problems which the Public Health Committee has to face, Sir Joseph Bhore, in the course of a broadcast talk on 28-10-43, pointed out : "Malaria gives rise to the greatest economic problem with which India is faced. Financial losses to the individual and the family alone have been calculated at no less than Rs. 11.00 million annually. Comparing the figures of expectation of life for various countries, Sir Joseph said that over the period 1920-30 it had been calculated that for British India, for males it was just under 27 years, compared to 55 in New Zealand, 63 in Australia, 59 in the USA and 58 in England and Wales. The rate of infant mortality in 1937 was 31 in New Zealand, 38 in Australia, 54 in the USA, 58 in England and Wales and 162 in British India."

(The Hindustan Times 28-10-1943,  
The Statesman dated 30-10-1943 and  
communication from the Committee ).

Wages.2 Months' War Bonus to Bombay Cotton Mill Workers:  
Recommendation of Millowners' Association, Bombay. ✓

The Millowners' Association, Bombay, has recommended to its member mills in the Bombay City and Island to pay their workers a war bonus equivalent to one-sixth of their total earnings during the calendar year 1943. All operatives who are on the musters of permanent and badli workers on 31-12-1943, and who continue to be on such musters until the dates of payment, with the exception of those badlis who have worked for less than an aggregate period of 75 days in the year 1943, will be eligible to receive bonus. Eligibility to receive bonus has also been conferred on those permanent workers who were retrenched either as a result of an agreement following a notice of change under the Bombay Industrial Disputes Act, or in pursuance of the Standing Order relating to the discontinuance of shift-working, or for reasons beyond the control of the management, provided such workers had put in not less than 75 days' work in the mill concerned during the calendar year 1943.

It has further been recommended that bonus be calculated on earnings exclusive of dearness allowance, and that, in the case of women who have been on maternity leave in the period referred to, the actual maternity allowance drawn be included in their wages for the purpose of calculating the bonus payable. Bonus, as stated above, will be paid to the workers in two equal instalments: first on the 22nd January and the second on 1-3-1944.

( Industrial Bulletin of the  
Employers' Federation of  
India, Bombay, 8-11-1943 ) ✓

Salary Scales of Government Servants in  
Madras Reverted to 1933 Levels. ✓

The Government of Madras has, with a view to improving the prospects of Government Servants, passed orders that the scale of pay which was introduced in 1933 be now reverted to and that the scales as revised in 1938 be cancelled. The increased cost of reversion to the 1933 scales, it is officially stated, practically negligible at the moment, because employees are to be put on the old scale at the stage corresponding to their present pay. The cost will gradually increase and ultimately reach Rs. 1.6 million after 25 years. If there is no stage on the old scale corresponding to his present pay, an employee goes on to the stage below, and will be allowed a personal pay to make up the difference. In some cases, it may be not to an employee's advantage to revert to the old scale immediately. He is given an option for a period of five years to change over at any time which may be most advantageous.

( The Hindu, 30-10-1943 ) ✓



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Demand of Bombay Textile Workers  
for Standardisation and Increase  
in Wages, Bonus, etc. ✓

Mr. G.D. Ambekar, Secretary, Rastriya Girni Kamgar Sangh, Bombay, a statement issued towards the middle of November 1943, points out that the textile industry of India, and especially that of Bombay, has prospered on the support of the general public through protection. The Bombay millowners have effected open and surreptitious cuts during the last 15 years in the already low wages of workers and imposed the same on them, without regard to their just claims or for public opinion. Absence of standardisation ~~and~~ in wages has accentuated the loss and suffering of these workers. The Textile Labour Inquiry Committee ~~has~~ recommended a standard, fair and suitable in the conditions existing at the eve of the war. But the Bombay Government have postponed this question to an indefinite future under one pretext or the other.

The outbreak of war and its prolongation have added to the miseries of the public and especially the worker. Whereas the Governments in countries like England and America have effectively limited the rise in prices to about 25 to 30 per cent, the Government of India has done nothing to check the rise which is now more than 200 per cent. On the contrary, the same war has created a boom in the industry and has profited the industrialist to an unprecedented extent. But the worker is not allowed an adequate share in the profits of the industry. The existing low wages ~~at the same time as~~ an unprecedented boom period for the textile industry ~~we made~~ the introduction of standardization imperative as well as most opportune.

The Rastriya Girni Kamgar Sangh, in <sup>its</sup> ~~its~~ meeting of <sup>its</sup> ~~its~~ Board of representatives held on ~~annexing~~ 17-10-1943, gave its serious consideration to the above situation and the conditions created by the war and has unanimously decided to present to the millowners four demands: ~~consisting of~~ (1) increase in basic wages; (2) standardization of wages; (3) 4 months' wages as Bonus; and (4) weekly wages or suitable and adequate advances.

The Sangh proposes to proceed under the Bombay Industrial Disputes Act for these demands and is sending properly signed intimation and preliminary request to ~~the~~ Government Labour Officer.

( The Bombay Chronicle,  
15-11-1943 ). ✓

Industrial Wages in the Punjab  
during 1939-1943. ✓

The Board of Economic Inquiry, Punjab, had ~~recently~~ recently constituted an inquiry into industrial wages in Punjab province during the War-years 1939-43. The following information, summarising the results obtained, is taken from a pre-publication summary of the report of the inquiry issued in bulletin form (Bulletin No.3, November 1943 - Publication Summaries Series) by the Board of Economic Inquiry. The results given, ~~the~~ bulletin points out, are provisional):

Inquiry

Scope of Inquiry. - The ~~inquiry~~ dealt with the whole of the British

tab and the report will relate to 187 non-government industrial establishments generally employing over fifty workers, and distributed follows:

Kind of Establishment.				Number.
A.	Metallurgical and Wood	..	..	109
B.	Textile	..	..	<del>48</del>
C.	Printing Presses and Paper Products	..	..	10
D.	Food Products	..	..	20
Total				<u>187</u>

The total number of trades recorded was 205, viz., for unskilled, workers 11 kinds, skilled workers 168, office staff 21, and administrative staff 5. Coolies predominated among the unskilled workers; clerks, accountants, storekeepers, persons and watchmen among the office staffs; and managers amongst the administrative personnel. Among the skilled workers the more important trades were of blacksmiths, carpenters, engine fitters, electricians, engineers, firmen, fitters, hammermen, mechanics, welders, oilmen, turners and weavers.

Wage Statistics.— Taking the total cash wages and allowances in August 1939 as 100, the following table shows the arithmetic average index at the end of 1940, 1941 and 1942, and upto August 1943, for each class of workers; ~~markant~~ the modal and medial indices for 1943 are also shown:

Class of Workers.	ARITHMETIC AVERAGE INDEX. Modal, Medial,					
	1940.	1941.	1942.	1943.	1943.	1943.
.. Skilled ..	111	124	146	170	171	179
.. Unskilled ..	109	126	160	207	186	190
.. Clerical ..	107	121	144	170	<b>171</b>	173
.. Administrative	109	128	150	199	152	168
General industrial index (unweighted) of wages	<u>110</u>	<u>124</u>	<u>147</u>	<u>183</u>	<u>171</u>	<u>179</u>
Percentage rise over previous year ..	10%	13%	19%	24.4%	..	..

The rise in some wages was appreciable, in one case the index ending over 700; consequently, the Modal index (i.e., the most usual index) has also been shown, as well as the Median (i.e., the middle entry when the indices are arranged in ascending or descending order).

Medial Wage Increases.— The index by itself, however, does not give a complete picture, since an increase in wages from 8 annas a day Re.1 or from Rs. 100 p.m. to Rs.200 will in each case show an index 200, i.e., a hundred per cent. rise. In the next table a few examples are given of the "medial" wages in certain trades in 1943; i.e., when the wages in the trade were arranged in ascending order, the rate shown by the middle entry; half the other wages were below this rate and half above. The maximum wage in each trade, recorded in the inquiry, is also mentioned.

(For daily wages converted at 28 days to the month)

Trade.		MEDIAL WAGE INCREASES.				Highest wage recorded. 1943.
	Pre-war.	1940.	1941.	1942.	1943.	
Coolie	Rs. 9/12	13/-	19/9	22/12	26/-	65/-
(Index)	(100)	(133)	(167)	(233)	(267)	
Electrician.	30/-	35/-	40/-	55/-	60/-	136/-
(Index)	(100)	(117)	(133)	(183)	(200)	
Turner.	32/8	42/4	48/12	74/12	78/-	100/-
(Index)	(100)	(130)	(150)	(230)	(240)	
Fitter.	32/-	34/-	39/-	47/-	60/-	148/-
(Index)	(100)	(106)	(122)	(147)	(188)	
Blacksmith.	30/-	..	..	44/-	59/-	124/12
(Index)	(100)	..	..	(147)	(197)	
Weaver.	19/8	..	..	..	45/8	68/-
(Index)	(100)	..	..	..	(233)	
Mechanic.	35/7	..	..	..	68/12	155/-
(Index)	(100)	..	..	..	(196)	
Watchman.	15/-	..	16/14	20/-	24/-	44/-
(Index)	(100)	..	(113)	(133)	(100)	
Clerk.	25/-	30/-	35/-	40/-	60/-	220/-
(Index)	(100)	(120)	(140)	(160)	(240)	
O. Manager.	100/-	..	..	..	175/-	1,200/-
(Index)	(100)	..	..	..	(175)	

Average (Arithmetic) Index.- The next table shows the average arithmetic index for each class of industry in the different years:

	SKILLED.				UNSKILLED.			
	1940.	1941.	1942.	1943.	1940.	1941.	1942.	1943.
Metallurgical.	114	129	154	181	110	128	165	206
Textile.	108	113	140	185	110	126	183	209
Printing Presses.	..	107	117	143	..	110	129	141
Food Products.	107	119	142	177	101	121	152	212
Average.	111	124	146	179	109	126	160	207
	GENERAL.				ADMINISTRATIVE.			
Metallurgical.	109	126	150	182	109	136	164	230
Textile.	105	114	136	175	107	122	134	166
Printing Presses.	..	107	113	149	..	100	106	131
Food Products.	105	119	150	187	105	119	148	176
Average.	107	121	144	179	109	128	150	199
	GENERAL.							
Metallurgical.	112	129	154	186				
Textile.	107	118	142	185				
Printing Presses.	..	107	113	145				
Food Products.	106	119	145	183				
Average.	110	124	147	183				

Wage Indices for Lahore and Rest of the Punjab.- The wage indices for the Lahore District are now compared with those for the rest of the Punjab :

		ARITHMETIC AVERAGE INDEX.				Modal	Median.
Class of Worker.		1940.	1941.	1942.	1943.	1943.	1943.
KILLED:	Lahore ..	118	133	156	191	171	180
	Rest ..	109	120	142	174	171	179
UNSKILLED:	Lahore ..	105	124	163	208	185	195
	Rest ..	110	126	158	206	187	192
CLERICAL:	Lahore ..	107	120	143	176	150	139
	Rest ..	107	121	144	180	171	175
ADMINISTRATIVE:	Lahore ..	118	128	153	184	150	166
	Rest ..	103	127	148	205	153	169
AVERAGE:	Lahore ..	114	129	154	190	171	179
	Rest ..	108	121	144	180	172	180

The Bulletin points out: "A word of caution might be added about comparing these industrial wage-indices too closely with cost of living indices which presume the same standard of living as at the base period. The majority of the Punjab factory workers are from villages and so used to a simple life, but the only cost of living indices published are by the provincial Industries Department for five towns, the base being 1931-1935 when prices were very low owing to the agricultural depression; the domestic economy of all in these war days has however undergone any changes". ✓

#### Further Increase in Dearness Allowance of Bombay Textile Workers. ✓

Reference was made at page 40 of our March 1943 report to the grant of dearness allowance to Bombay Textile Workers when the cost of living index ranged between 205 and 213. The working class cost of living index numbers having risen from 225 in April 1943 to 245 in September 1943, the amount of dearness allowance payable has been raised from Rs. 25-13-0 for month of 26 working days when the index number is 214 to Rs. 33-3-0 when the index number is 245.

Towards the middle of September 1943, the Committee of the Millowners' Association, Bombay, considered the question as to whether, and if so, what portion of the daily rate of dearness allowance applicable in the month should be paid to workers putting in less than a full day's work, and a recommendation was issued to member mills stating that, if the custom and usage in individual mills permitted, the workers should be paid half a day's dearness allowance for attendance in the morning up to midday irrespective of the number of hours actually worked in the mill. It was also recommended that full day's dearness allowance should be paid to such of the workers who work for more than half a day.

(Excerpts from the Proceedings of the Committee of the Millowners' Association, Bombay, during May - October 1943). ✓

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Exemption of Excess Profits Tax in  
Payment of Bonus to Workers; Maximum  
Rate of Bonus raised to 3 months'  
Wages. ✓

The Government of India is understood to have decided to exempt the bonus paid to workers totalling up to three months' wages from the payment of Excess Profits Tax, as against two months' wages permissible under the original provision. It is also understood that draft rules allowing payment of not more than three months' wages by way of bonus is being published shortly.

The C.P. and Berar Textile Workers' Federation had sent a representation, some time back, to the Finance Member, Government of India, that local mill-owners were willing to pay three months' wages as war bonus to textile workers provided they were exempted from the payment of Excess Profits Tax for the amount paid as war bonus. The Secretary of the Central Board of Revenue is learnt to have informed the President of the Federation about the above decision of the Government.

( The Hindustan Times 30-11-1943 ) ✓

Demands for Higher Wages of Menial Staff of  
the Government of India. ✓

At a meeting held towards the end of November 1943, of the Imperial Secretariat Jamadars' and Peons' Association, attended by about 2,000 members, resolutions were passed urging that a reply might be given at an early date to the representation made by a deputation of the Association, which waited on the Home Member on 23-9-1943 with regard to their grievances arising from high prices. The meeting expressed the view that it was impossible for peons and drafties to support themselves on the present pay of Rs. 14 and Rs. 15 respectively with a dearness allowance of Rs. 8/8 per month. The resolutions also mentioned that members of the Association could not purchase most of the articles for which coupons were issued, as commodities were not available. The resolutions adopted request that arrangements might be made either for the supply of all articles of food, clothing, etc, at prewar rates with an addition of 50 per cent in pay of that menial staff should be paid at the rate of Rs. 60/- per month. It was also demanded that arrangements for the supply of gar might be made immediately as the price of sugar had gone up, that new quarters should be built immediately as it was difficult to get accommodation on the rent of Rs. 3 now paid by Government, and that, till accommodation was available, at least Rs. 15 a month should be paid as house rent.

( The Bombay Chronicle, dated  
27-11-1943 ) ✓

## Employment.

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### Voluntary Employment Exchanges : Government of India's Scheme. ✓

The following information about the Government of India's plans for the setting up of voluntary employment exchanges for technical personnel ( this will later be followed by the establishment of such exchanges for skilled and semi-skilled personnel also ) is taken from the November 1943 issue of the Indian Labour Gazette (published by the Department of Labour, Government of India ) : -

When the National Service Labour Tribunals were established under the National Service ( Technical Personnel ) Ordinance, 1940, ( vide pages 33-34 of our June 1940 report ), it was the intention that they should gradually assume the role of employment exchanges for technical personnel. This they have been doing, but the statutory powers given to Tribunals to fix wages and terms of service and to compel an employer to give up an employee and an employee to take up employment in the national service have distinguished them from the voluntary employment exchanges commonly met with in other countries. The exacting needs of war made it necessary for the Tribunals ~~to have~~ to have these statutory powers and they have served their purpose. As the war progresses, it is now considered necessary to look ahead and begin to build up an employment organisation which will be in a position to deal with the registration and voluntary placement of the many skilled and semi-skilled workmen who will be thrown out of employment ~~at the termination of hostilities~~ on the ~~requirements of employers~~ termination of hostilities. The Tribunals have gained much experience of the requirements of employers and the placement of labour and it is proposed therefore to use these organisations in the first instance for the setting up of voluntary employment exchanges for skilled and semi-skilled personnel. Employment exchanges for technical personnel will accordingly be established immediately at the following centres and for the time being will be placed under the control of the local National Service Labour Tribunals :- Calcutta, Bombay, and Ahmedabad, Madras, Cawnpore, Lahore, Nagpur, Delhi and Jamshedpur. An exchange may be opened also at Karachi. Later on branch exchanges will be opened at other centres in each area.

Objects and Method of Work.- (i) Each exchange will provide a place where information is collected and furnished to the public in respect of employers who desire to engage technical personnel and personnel who seek employment. (ii) Information obtained from employers regarding vacancies will be recorded on " order cards " for vacancies which will be maintained on the card index system. (iii) Information obtained from persons seeking employment will be recorded on individual card index envelopes which will be filed on the card index system. Each such envelope will form the file for the correspondence relating to the individual concerned. (iv) Employers will be encouraged to apply to the employment exchanges for any technical personnel they require and the exchanges will place suitable applicants in touch with employers. Employers will not be required to accept candidates sent to them by the exchanges if they do not wish to do so, but in such cases they will be required to give their reasons for not accepting the candidates. For this purpose each recommended candidate will be supplied with an identification card addressed to the employer to which a reply pre-paid card will be attached. On the pre-paid card there will be entries to enable the employer to state if the candidate has been employed and if he has not been employed the reasons therefor. (v) The exchanges will have no concern with

the wages and terms of service of the men they supply. These will be settled between the applicant for employment and the employer and once a man has been engaged the exchange will have no further concern with him.

Classes of Workers to be Covered.- Employment exchanges will deal with all classes of technical personnel as defined in section 2 of the National Service (Technical Personnel) Ordinance but in the first instance the benefit of the exchanges will be extended only to unemployed technical personnel who were drawing a wage of Re. 1 per day or more when last employed. Men drawing up to Re. 1 per day will be rated as semi-skilled grade II, while those drawing more than Rs. 1-8-0 per day as skilled. The scheme will apply also to the supervisory grades of personnel but not to the managerial grades. Clear definitions will be framed giving the classifications of the different classes of technical personnel covered. Unemployed technical personnel will be encouraged to register with the employment exchanges but registration will not be compulsory.

Statutory Obligations of Employers.- (1) Though employers <sup>are</sup> not required to fill vacancies only by the acceptance of candidates sent by the exchanges, they are required to notify the exchanges of all vacancies for technical personnel in their establishments (other than those reserved for their own apprentices) as they occur and to furnish monthly reports to the exchanges as to how the vacancies have been filled. (2) Every industrial undertaking is also required to issue to any technical personnel discharged, dismissed or released by it or permitted by the Tribunal to leave their employment a service certificate prescribed by the National Service (Technical Personnel) Rules, or if the employee is already in possession of such a certificate to make such additions to the certificate as will bring it up to date.

Management.- Each exchange will be managed by a Manager who will be appointed by the Tribunal and who may be the Tribunal's Technical Inspector. The Manager should in any case have sufficient technical qualifications and experience to enable him to appreciate the requirements of industry generally and the special requirements of his particular locality, and it will be his duty to maintain close contact with employers and local bodies and assist them to secure the personnel they require. It will also be the duty of the Manager to deal sympathetically and tactfully with technical personnel who visit the exchange in order to register themselves. Each Manager will be assisted by a representative of the Army, a clerical staff, the strength of which will depend on the volume of work to be dealt with from time to time and where the activities of the exchange justify it by a Tradesman Supervisor who should be capable of carrying out trade tests in the main engineering trades. Where difficulties arise over the administration of an exchange they will be placed before a committee consisting of the Chairman of the National Service Labour Tribunal (President), the Manager and the Army representative (if any) for solution.

Employment Committee.- Each employment exchange will have attached to it a local Employment Committee of 2 representatives of employers, 2 representatives of labour, 1 representative of the Provincial Government and 1 Army representative. The Chairman of the employment Committee will be elected by the members themselves. The Employment Committee will advise on all matters affecting the working of the exchange, including the general aspects of the problem of placement of personnel. The Committee will not however concern itself with individual cases.

Central Exchange.- On the formation of local or provincial

employment exchanges, a central employment exchange will be opened in the Labour Department of the Central Government. The functions of this exchange will be to issue general directives when required and to co-ordinate the needs of the different provinces and ensure that no provinces are short of skilled or semi-skilled labour while there is a surplus in any other province. For this purpose it will be necessary for each employment exchange to send a weekly report to the central exchange giving a brief outline of the needs and surpluses of the area in its charge.

Miscellaneous.— Employment exchanges will deal with ex-Servicemen also. In order to look after the interests an Army Officer will work in the exchange with the status of Joint Manager of the exchange.

( Indian Labour Gazette,  
November 1943 ). ✓

### Recruitment, Training and Welfare in Ordnance Factories. ✓

According to a note published in the Indian Labour Gazette, November 1943 issue, recruitment of technical personnel for all Indian Ordnance Factories is done by the Director of Factory Recruitment under the Supply Department of the Government of India. Recruitment covers all grades from officers down to chargemen and also men who are to be put under training.

Classes of Persons Recruited.— There are three classes of persons recruited:— (1) European British subjects are called up under the National Service (European British Subjects) Act, 1940 (XVIII of 1940), by the military authorities after having been declared available by the National Service Advisory Committees; (2) Indian British subjects are recruited through the National Service Labour Tribunals under the National Service Technical Personnel Ordinance; and (3) personnel who do not come under either (1) or (2), e.g., foreigners and men over 50 years of age, are recruited by the Director of Factory Recruitment or by superintendents of factories. In addition to the recruitment explained above, workmen are also recruited by superintendents of factories direct.

The starting pay of individuals under the first two categories is fixed by the calling up authorities in the scale of pay decided upon by the Director of Factory Recruitment. The starting pay for the third category is generally fixed by the Director of Factory Recruitment.

Nature of Training.— The training scheme is designed to cover training of personnel for ordnance factories. The numbers placed under training are regulated by demands made by factories on the Director of Factory Recruitment. Normally, artisan trainees and supervision trainees are recruited by factories or the Director of Factory Recruitment, but the National Service Labour Tribunals can post men outside these classes for special training. In addition, men who have attained grade I semi-skilled standard, i.e., those who have passed out from training centres under the Technical Training Scheme of the Labour Department and artisan trainees are given up-grading training to skilled grade. The main divisions of trainees are: (1) Supervisor trainees; (2) Skilled and highly skilled trainees (to train them on progressively more difficult production



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work); and (3) artisan trainees (for work of a simple nature).

Since the inception of this scheme, the previous training arrangements which existed in the factories including apprentices, boy learners etc. have been absorbed in the present scheme. On date the following is the position in respect of training :-

	Completed training	Under training
Supervisors	955	766
Highly skilled and skilled men	2,015	2,314
Semi-skilled grade I	3,940	2,064

Terms of Service.— Wages are governed by the Schedule of Standard wages which provides for periodical increments and elevation to higher grades according to the degree of skill attained. The starting wages of technical personnel recruited by National Service Labour Tribunals are fixed by the Tribunals concerned.

~~Indian Ordnance Factories Workmen~~ Workmen with over 3 year's service are eligible to subscribe to the provident fund at rates and conditions in force. Workmen are not generally eligible for pension or gratuity. Workmen living in Government lines and their families are given free medical attention in the factory hospital and dispensaries. Workmen may belong to labour unions recognised by Government. They are entitled to compensation for injury or disability under the Workmen's Compensation Act. The following ~~are~~ special benefits obtain during war:— (a) Dearness allowance at rates sanctioned by Government; (b) Bonus of one day's pay for each month's service during wartime will be paid at the end of the war; (c) In declared emergency areas workmen are entitled to a bonus of 20 per cent of their pay, 10 per cent to be paid at the time and 10 per cent after the war; and (d) Government ~~arrange~~ supply of essential foodstuffs at concessional rates either through the co-operative society stores or cheap grain shops.

Welfare.— Each Ordnance Factory is provided with a Labour Bureau under the charge of a Supervisor whose chief duties are :- (a) to ensure that rules for recruitment of men are strictly observed and that men on recruitment are rated in accordance with the Schedule of Standard ages; (b) to ensure that employment conditions in the factory comply with the Factories Act or Rules; (c) to study welfare measures and economic conditions and put forth suggestions in the interest of the welfare of the factory workmen; and (d) to look after the comforts of workmen.

As regards amenities, in each factory a canteen is maintained for the supply of tea and refreshments and in some factories cooked food is also supplied to workmen and other employees on payment. Free supply of food rations and beverages of stimulating and nutritive value is made to all workmen employed on night shift work. Many factories have their own cooperative society and in some cases these societies run stores for the benefit of the members. Facilities for recreation and out-door games exist in all old factories and provision for the same is being made in new factories. In factories situated in isolated positions cinemas have been provided. A post of Propaganda Supervisor has been created in all factories and radio and loudspeaker equipment has also been provided, by means of which broadcasts of the news and other matters of interest are made daily to the workmen.

(Indian Labour Gazette, November 1943, <sup>issue</sup> 1) ✓

Government's Suggestion of Provision of  
Canteens for Mill Workers: Views of Mill-  
owners' Association, Bombay. ✓

Towards the middle of July 1943 the Employers' Federation of India forwarded to the Committee of the Millowners' Association, Bombay copy of a communication from the Government of India, Department of Labour, in which the attention of industrial employers had been drawn to the advantages which would accrue from providing canteens to workers at their place of work. The employers' Federation, while fully appreciating the difficulties involved in implementing this recommendation on account of different conditions prevailing in this country, expressed the ~~ungratified~~ view that every effort should be made to afford workers whatever facilities were possible in the way of food and supplies, and suggested that an earnest effort might be made by the employers to start canteens in their establishments, and, where such canteens already existed, to enlarge their activities so as to provide not only tea and light refreshments, but also principally food to such of the workers who might be willing to take advantage of the facilities offered.

The question of establishing canteens in mills had been considered by the Committee of the Association on several occasions in the past and certain mills ~~had~~ had on their own initiative established such institutions. It was not, however, possible for all mills in Bombay to establish canteens for the following reasons: (1) Some mills in ~~Bombay~~ had no space whatever within their premises either for cooking or for serving food to their operatives. (2) A standard food suitable to the tastes of people representing various communities, castes and ~~grades~~ working in the mills was difficult to evolve. (3) Cooking would also present difficulties, e.g. Mahomedans usually insisted on separate arrangements, being non-vegetarians; and Bhayyas, especially Brahmins, preferred to take food cooked by themselves. Utensils and serving vessels would be another problem and last but not the least was the problem whether cooks of different communities would be available in sufficient numbers. Another difficulty which had arisen in recent months was in connection with the supply of cereals required for the use of these canteens. Two or three mills had to close down their canteens as grain was not available, and one mill which was providing cooked food to about thousand workers was finding it very difficult to carry on, as requisite quantities of rice, etc., were not available. The Committee, therefore, suggested that arrangements might be made by Government to ~~help~~ help these employers who desired to run canteens by supplying them with the requisite quantities of grain.

( Excerpt from the Proceedings of  
the Committee of the Millowners'  
Association, Bombay, during  
May - October 1943 ). ✓

Establishment of Co-operative Societies in  
Mills: Recommendation of Millowners' Asso-  
ciation, Bombay.

Early in September 1943 the question of encouraging the formation of co-operative credit societies among workers of member mills was considered by the Committee of the Millowners' Association, Bombay, which felt that at present employees in mills ~~xxx~~ were receiving high wages <sub>1</sub> and dearness allowance and that this was the most appropriate

time for mills ~~must~~ to provide the requisite facilities to their employees to save a portion of their earnings and/or to redeem old debts contracted by them at high rates of interest. The following recommendations were, therefore, issued to member mills:- (1) Mills, which had not so far established co-operative societies for their workpeople, should take the earliest opportunity to do so; (2) Mills, which had co-operative societies, should ask the managing committees of such societies to make it a point to investigate the bonafides and other details with regard to applications for loans; and (3) Mills should emphasise the desirability of thrift and take steps to start a "Thrift Fund" and persuade members of the co-operative societies to contribute small sums every month.

( Excerpts from the Proceedings of the Committee of the Mill-owners' Association, Bombay, during May - October, 1943 ). ✓

### War Finance:

#### Imports of Consumers' Goods to Fight Inflation: Government's Decision. ✓

In order to check inflationary tendencies, the Government of India is arranging increased imports of bicycles, drugs and other consumers' goods and the increased supplies thus made available will be controlled in regard to distribution and price.

( The Times of India, 12-11-1943 ). ✓

#### Compulsory Saving imposed on Cane Growers in U.P. ✓

The Governor of the U.P. has issued an order directing every occupier or manager of a factory and every purchasing agent to make a deduction at the rate of two annas per maund, calculated to the nearest quarter of a rupee, from the price payable to a cane-grower, and pay the amount to him in defence savings stamps. If the amount exceeds on any occasion Rs.10/-, the manager or occupier of a factory or the purchasing agent shall take for each Rs.10/- an application in the form prescribed by the Postal Department from the grower for investment in the national saving certificate and shall give an acknowledgement for the same and shall pay the balance in defence savings stamps. In the case of a cane-growers' co-operative society, they shall keep the amount so deducted in deposit and intimate the same to the society concerned.

( Notification No.3030-S/XII C-139-3 dated 20-11-1943: The Government Gazette of the United Provinces Extraordinary dated 20-11-1943 ). ✓

This measure has been ~~was~~ <sup>criticised</sup> on the ground that such compulsory saving confined to cane growers alone will affect ~~the~~ the production of cane and drive growers to raise other crops in the case of which no restrictions have been put on returns. ✓

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Control Measures.

Bombay Rent Restriction (Second Amendment)  
Bill, 1943. ✓

The Government of Bombay has published the draft of a Bill which proposes adopting to make house rent control more effective. It has been noticed that some tenants have taken advantage of the shortage of accommodation and sublet their premises with a view to unfair gain. This practice is on the increase and has led to undesirable consequences. In these days of shortage of accommodation, there is no justification for allowing tenants to retain any right to premises which they do not require for personal occupation, and it is undesirable that they should be permitted to make a profit which is forbidden to landlords. It is proposed to amend the Bombay Rent Restriction Act, 1939, to achieve this end in view.

(The Bombay ~~Gazette~~ Government  
Gazette Supplement dated  
27-10-1943 ). ✓

Commodities Specifically Controlled under  
Hoarding and Profiteering Prevention  
Ordinance, 1943. ✓

Reference was made at page 44 of our October 1943 report to the adoption of the Hoarding and Profiteering Prevention Ordinance, 1943. Under that Ordinance, the Government of India has directed producers or dealers in the following commodities to declare their existing stock and to maintain records of sale and purchase transactions : (1) vegetable ghee, (2) bicycles, (3) imported shoes, boots and footwear of all kinds, (4) fountain pens, (5) optical lenses, (6) imported surgical instruments, (7) razor blades, (8) toilet articles, such as shaving sticks, safety razors and tooth pastes, (9) woollen cloth and hosiery of other than Indian manufacture, (10) imported foodstuffs, (11) all imported silk goods, and (12) cigarettes. In the case of imported articles, the dealers have to declare landed cost also.

( Notifications Nos. D/3A, B & C -  
CG(C.S.) dated 22-10-1943 and  
1/2/43 CG(C.S.) dated 9-11-1943  
22-11-1943  
The Gazette of India, Part I,  
section 1, dated 23-10-1943, and  
13-11-1943. Pages 1160, and 1231 2  
and 1277) ✓

The Drugs Control Order, 1943.

The Government of India Gazetted the Drug Control Order on 11-11-1943 in order to control the prices of all drugs ( pharmaceutical chemicals, patent medicines and other articles specified in Schedule A attached to the Ordinance). Manufacturers, importers, whole-sale dealers and retailers of drugs are to be licenced and whole-sale and retail prices ~~to be controlled~~ controlled.

( Notification No.475 C.S.(B)  
(1)/43 dated 11-11-1943: The  
Gazette of India Extraordinary  
dated 11-11-1943, Pages 701-808) ✓

Coal Rationing for All: Measures  
for Raising Output. ✓

It is understood that a scheme of coal rationing for all consumers has been sanctioned <sup>by the Government of India</sup> and is being put into effect. This has involved a careful examination of the requirements of all industries, as well as of demands for export, bunkers and railways and the demands of domestic consumers.

The scheme, it is pointed out, is based on the minimum essential demands of consumers, the transport available and the amount of coal which can be raised and distributed. The total output available for distribution has been taken at about 25½ million tons. This is a larger quantity than has been distributed before, but the demands, not only of industries but of railways and ships, have increased owing to war production and increased war movements.

It is gathered that the need of utilizing all the coal that can be raised has resulted in the abandonment of the earlier proposal of shutting down some of the smaller collieries whose output is too small to justify the use of wagon transport. Even so, doubts are expressed whether the quantity of coal required can be raised, but certain steps have been taken to increase the output, which it is hoped may assist the situation. One of the most important is the employment of women in mines underground.

Recently the regulations were relaxed to enable the use of women labour in the C.P. and Bihar. Colliery owners, it is stated, demand not only a continuance of this relaxation, but its extension to Bengal and Bihar. The official viewpoint, however, is that the Government must be satisfied that mine owners have adopted all possible measures to make employment in mines attractive enough to draw an adequate supply of labour. For instance, doubt is expressed whether welfare facilities provided in mines are adequate. The Government have directed the Chairman of the Coal Stowing Board to ascertain whether adequate provision exists for housing, medical aid, educational facilities, etc. The Government have also suggested to mine owners to make arrangements to provide not only grain but other articles at concession rates to workers.

It is likely that the Viceroy will pay a visit to the coal area shortly to see things for himself.

( Statesman, 4-11-1943 ). ✓

Diversión of Industrial Output for  
Civilian Use: Government of India's  
Decision. ✓

Apart from the measures already taken by Government, such as the control of new capital issues, the acceleration of excess profits tax payments, restrictions on speculative trading, bonuses, commissions and holding of stocks, and the anti-hoarding and anti-profitsteering ordinance, it is understood that the question of releasing a greater share of industry's output for the civil markets has been under the consideration of various departments of the Government of India.

All Government indentors, including the defence services, are under a duty to subject their demands from industry to even closer scrutiny than before and to re-evaluate reserves, where forward planning programmes may be impeded by sudden demands placed on grounds of urgent operational necessity. The army is taking all steps to minimise such demands so that the longest possible notice and period of delivery can be given. It therefore becomes more possible to plan production in such a way that civil requirements are also provided for, and these measures will go forward consistently with India's responsibility to supply the needs of her armed forces for the battles yet to be fought.

The agriculturist will benefit by a greater release of certain types of steel, such as usable defectives, through provincial and trade channels, at controlled prices, which will help to expand manufacture in small-scale industries of agricultural implements. Similar steps are being considered for other consumers' goods along with the question of control of prices at factories, based on the prices of some of the raw materials whose distribution the Supply Department is able to control.

Army salvage and repair establishments are coming into operation and substitute stores are being tried in place of those which use raw materials or goods in short civil supply. Salvage organisations will explore all methods of reconditioning stores with a view to their use by the army once more. They will also consider sale of salvage to factories where the raw material can be extracted and refabricated. In other cases, they will consider outright sale to civil markets of rejected or obsolete stores.

( Times of India, 8-11-1943 ). ✓

#### The U.P. Gur (Movement) Control Order. ✓

The U.P. Government has Gazetted the Gur (Molasses) (Movement) Control Order, 1943, prohibiting movements of Gur by rail without Government's permission.

( Notification No. 19114/C.S.  
dated 13-11-1943: The Government  
Gazette of the United Provinces,  
Extraordinary, dated 15-11-1943 ). ✓

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Production.

Manufacture of Farm Implements in  
Madras : Government's Scheme. ✓

In order to enable rural fabricators and agriculturists to obtain their supplies of iron and steel for the manufacture of agricultural implements and for other village industries, the Government of Madras has accepted the following proposals of the Deputy Iron and Steel Controller, Madras Circle, subject to such modifications as may be found necessary later on in the light of actual experience. According to the scheme formulated, the Deputy Controller will select established dealers at different centres for the distribution of defectives and cuttings at his discretion and also on the recommendation of a local gazetted Officer of the Revenue Department as to their bona fides. Each applicant requiring defectives and cuttings will be supplied on indent from controlled stock holders specified by the Deputy Controller. An official competitive agency will also be set up with a view to preventing stocks being passed on to the black-market. The Agricultural Demonstrator in each taluk ( and the District Agricultural Officer in the case of a taluk where there is no Agricultural Demonstrator ) will be allotted a sufficient quantity of defectives and cuttings to meet the agricultural demands for locally fabricated articles in his area. Agriculturists can obtain their requirements direct from the Agricultural ~~Assistant~~ Demonstrators. ✓

( The Hindu 31-10-1943 ) . ✓

Sugar (Temporary Excise) Duty Ordinance,  
1943. ✓

The Governor General promulgated the Sugar (Temporary Excise) duty, Finance, 1943, on 10-11-1943 imposing an excise duty of annas 13 per hundred on sugar, to enable the price of sugar-cane to be raised to a level which will make it worthwhile for growers to cultivate cane.

(The Gazette of India Extraordinary, dated 10-11-1943 ).

The Eastern Economist, Delhi, comments that the duty now imposed is quite inadequate, as the maximum price of cane under the present scheme 12 annas per maund, even if paid in full, would fail to give returns to the grower comparable to those from the cultivation of other crops.

( The Eastern Economist, ~~is it~~  
19-11-1943 ). ✓

Progress of India's Chemical Industry:  
Need for Research Stressed by Sir. S.S.  
Bhatnagar. ✓

The need for co-operative research in the Indian Chemical Industry and the formation of research associations in India was emphasised by S.S. Bhatnagar, Director, Scientific and Industrial Research, Government of India, ~~in his address~~

of India, presiding over a conference of manufacturers of chemical and pharmaceutical products and representatives of Universities and Research Institutions held in Bombay on 8-11-1943. He pointed out that the research association idea was principally to help small firms. "I hope I shall succeed", he said, "in persuading the Governing Body of the Council of Scientific and Industrial Research and the Department of Industries and Civil Supplies to give a lead, and help in the formation of research associations in India for several industries and particularly for the chemical industry in this country".

Earlier in his speech, he said that India now manufactured or shortly would manufacture sulphuric acid about 20,000 tons, caustic soda about 4,500 tons, soda ash about 56,000 tons, chlorine about 2,800 tons, chloro-sulphuric acid about 15 tons and formaldehyde about 60 tons a year. The figures were not very inspiring when compared with those of other countries, but there was some ~~amixxxx~~ solace in the fact that most of those things were not made at all in this country before the war.

Resolution on Cooperative Research.- The conference passed the following resolution:- "This conference firmly believes that, having regard to the vast resources of the country to develop chemical and pharmaceutical industries, it is essential that all possible efforts be made for organising these industries on scientific lines. With that end in view, this conference resolves that an extensive and intensive research be undertaken by the co-operative efforts of chemical and pharmaceutical manufacturers on the one hand and the universities and research institutions on the other. This conference, therefore, asks the Indian Chemical Manufacturers' Association to take immediate steps to appoint a committee for this purpose and prepare a comprehensive ~~xxxxxxx~~ scheme for establishing, as early as possible, a co-operative industrial research association as suggested by Dr. Sir S.S. Bhatnagar in his presidential address."

( The Hindu 8-11-1943 ). ✓

#### Wheat Position in India: Discussion at Wheat Conference. ✓

Interesting problems were discussed by the Wheat Conference which met at New Delhi in the last week of October 1943. Research ~~is~~ evolved ~~ing~~ varieties of wheat which could successfully resist yellow and brown rust, but not yet black rust. The damage from rust ~~is~~ estimated at anything between 10 and 20 per cent of the entire crop, so that the evolution of new varieties which could withstand all the three kinds of rust would automatically add to India's wheat crop to an appreciable extent. An interesting discovery which has been made is that wheat grown on rainfed lands is superior to that grown on irrigated areas in regard to both milling and baking. For reasons as yet undiscovered, Rohtak (adjoining Delhi) and Rawalpindi seem to produce the best varieties of wheat.

One important problem which engaged the attention of the Conference was the accuracy of agricultural statistics in the provinces, with particular reference to wheat. If official reports are to be believed, there has been a startling deterioration in the fertility of the soil,



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as the following figures of average production of wheat per acre shows: In the U.P. the average was maintained at 1,050 lbs. from 1896 to 1927, then it dropped by successive stages to 1,000, later to 900 and later still to 883 lbs. - almost two-thirds of the average maintained for 30 years since 1896. In the C.P. the average was 600 lbs. from 1906 to 1922, but has since gradually dropped to 430 lbs. In Bombay the average from 1896 to 1937 was 575 lbs., but is now 394 lbs. In Bihar the average which was 984 lbs. till 1937 has now fallen to 839 lbs. In Sind the average increased from 1,066 lbs. to 1,366 lbs. but has now dropped to 894 lbs. In the Punjab the average has varied between 760 lbs and 856 lbs., the latest figure being 809 lbs. If these figures are correct, it means that India's wheat production per acre has diminished by about 30 per cent. No one, however, in authority in Delhi is willing to accept them as even remotely correct. It is maintained that the introduction of improved varieties of wheat should have produced favourable results and there is no general deterioration in the quality of the soil - except possibly in certain parts of the Punjab where salts have come up to the surface in recent years. Nevertheless, there is no disposition to regard these statistics which, after all, are produced by the departments concerned in the provinces, with complacency. There may therefore be a detailed enquiry in sample districts in one or two provinces. If the results of such an enquiry should disclose a wide disparity between the actual position and the official reports, the problem may be examined comprehensively at a later stage.

( The Hindu 2-11-1943 ). ✓

Review of the Work of Utilisation Board  
of the Geological Survey of India . ✓

Reference was made at page 35 of our May 1942 report to the appointment of a Utilisation Branch of the Geological Survey of India. The work done by the Utilisation Branch ~~xxxxxxxxxxxx~~ was reviewed at a meeting of the Utilisation Branch Advisory Committee held at New Delhi on 22-11-1943, with the Hon. Dr. B.R. Ambedkar in the chair. Prof. Hill, M.P., who is in India to advise the authorities on the problems of post-war scientific research, was also present at the meeting. It was stated that while prospecting of lead-zinc ores in Newar State would continue, the project had been dropped as a war measure. A hydro-electric survey of the area, with a view to investigating the possibilities of developing cheap power, was suggested. A statement covering the history, initial exploration, development and the results of Kohi Sultan sulphur operations and programme for further operations with regard to these deposits was laid before the Committee. The views of the Committee were also obtained on the arrangements made by the Government for training mining personnel for the operations of the Utilisation Branch.

The Committee were further informed of the suggestions received by the Government of India from scientific bodies, universities and directors of cognate scientific departments of Government, regarding India's mineral resources. Sir S.S. Bhatnagar proposed that a symposium on the subject might be arranged at the time of the coming session of the Indian Science Congress in which both official and non-official scientists might participate.

( The Hindu, 23-11-1943 ). ✓

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Food.

Price of Food-Stuffs in Bengal:  
Committee Appointed to Check  
Excessive Profits. ✓

The Government of India has appointed a committee to satisfy themselves that there is no excessive profit in the prices charged for wheat products in Bengal. The committee consists of Mr. Justice H.B.L. Sengupta, Regional Commissioner, Food, Eastern Region, and Mr. A.L. Cooke, Chief Cost Account Officer, Supply Department.

The terms of reference of the committee are :- (1) to enquire (a) whether the profit accruing to the flour mills from the production and sale at ex-mill statutory prices of wheat products made from wheat purchased from the Government of Bengal is reasonable, having regard to such variations in output and other conditions as may from time to time arise, and if not, what adjustment ought to be made so as to secure a reasonable rate of profit in the interest of the public and all parties concerned (b) whether the profit accruing to retailers in the sale at statutory retail prices of wheat products purchased from the mills is reasonable. (2) To make recommendations as to the proportions in which atta, flour and bran should be produced by mills in Calcutta out of wheat bought from Government, and the respective prices at which they should be sold to the public.

It is explained that the Government of India has had under consideration measures to ensure that the retail cost of wheat and wheat products should sold to the public in Bengal is reasonable, and that no undue element of profit is included in these prices. It has been recently announced that the Government of Bengal has reduced their selling price of whole wheat to millers by Rs. 1-4-0, and the Government of India is satisfied that the reduced selling price fixed by the Bengal Government of Rs. 12-12-0 per maund of ~~whole~~ wheat sold to the flour mills in Calcutta is reasonable.

( Times of India 8-11-1943 ). ✓

Conserving Nutritive value of Rice:  
Bombay Rice Mills Licensing Order. ✓

The milling of rice in Bombay Province has been brought under control by the Bombay Rice Mills Licensing Order. The production of rice in Bombay Province and the quantities imported are short of requirements, so it has become necessary to take every possible step to conserve and make the best use of supplies. The Government of Bombay, therefore has issued an order, having effect from 9-10-1943 requiring all rice mills to be licensed.

One condition of the licence granted will be that paddy shall be under-milled. This reduces to the maximum extent possible the wastage of food in the process of milling, and increases the nutritive value of the rice. The Governments of Madras and the Central Provinces and Berar have already adopted similar legislation.

( Bombay Information dated  
13-11-1943 ). ✓

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Bengal Rationing Order, 1943. ✓

The Governor of ~~Bengal~~ Bengal promulgated on 2-11-1943 the Bengal Rationing Order, 1943, which extends to the whole province, but comes into force only in areas specified by the Government. The Order deals with the arrangements for the distribution and supply of rationed articles.

( Notification No. 1516 D.C.S. dated 2-11-1943. The Calcutta Gazette, Part I, dated 4-11-1943, pages 1599 to 1604 ). ✓

Bihar Rationing Preparatory Measures Order, 1943. ✓

The Bihar Government issued on 10-11-1943 under Section 81 of the Defence of India Rules the Bihar Rationing Preparatory Measures Order, 1943, which applies to <sup>the</sup> whole province, but comes first into force in certain specified areas only. The Order relates to the collection of information necessary to introduce rationing in those areas.

( Notification No. 14958 P.C. dated 10-11-1943: The Bihar Gazette (Extraordinary) dated 11-11-1943 ). ✓

Bombay Government's Order Limiting Number of Guests for Feeding at Functions. ✓

The ~~Bombay~~ Bombay Government has in exercise of the powers conferred by subrule (2) of Rule 81 of the Defence of India Rules issued an Order on 19-11-1943 that in connection with any entertainment or Function, religious, social or otherwise, in 19 specified Municipal areas, no one should serve food to ~~50~~ <sup>more than 50</sup> or more persons without the permit of the Magistrate of the area.

( The Bombay Government Gazette Extraordinary, dated 20-11-1943, Page 2603 ). ✓

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War Transport.

Control of Coastal Shipping: Government Explanation:  
Criticism of Indian Interests. ✓

The Announcement, in a Press Communique dated 11-9-1945, of the control measures over vessels on the Indian Register has given rise to the impression that Indian-registered ships would be placed at a disadvantage as compared with those on the British Register. The Government of India has explained in a communique issued on 1-10-1945 that there is no ground whatever for this apprehension. The reason why the Control measures do not extend to the ships on the British Register is that all such ships have already been requisitioned by His Majesty's Government and operate under the direct control of the Ministry of War Transport. They are, therefore, already under a measure of control which is far more stringent than the control which will be exercised through the licensing measures announced by the Government of India.

Object of the Control.— These control measures do not mean any reflection on the shipowners from whom the Government of India has received wholehearted co-operation not only in the carriage of priority cargoes, but also in various other ways. Experience has, however, proved on the railways that a system of uniform and centralised control over transport is essential, and this must be extended to cover all ships employed on the coast in order to ensure that the right cargoes are carried at the right time in the interests of the prosecution of the war and of the maintenance of supplies essential to the life of the community. Following the appointment of the Controller of Indian Shipping, arrangements have, therefore, been completed for the co-ordinated employment of tonnage running between Karachi, Calcutta and intermediate ports. As ships on the British Register are controlled by the Ministry of War Transport and those on the Indian Register by the Controller of Indian Shipping, it is now possible to ensure that all cargoes belonging to or sponsored by Government moves by sea in priority, and that goods for essential civil consumption, such as foodstuffs, are carried wherever required. For this purpose, all available ships on the Indian and British Registers will now work under a joint control as a combined fleet.

Coastal Shipping Committee.— The organisation to handle the arrangements under the new system is as follows: The Ministry of War Transport Representative and the Controller of Indian Shipping at Bombay will constitute a Committee to be known as the Coastal Shipping Committee, with power to co-opt such other officers as may be necessary, for example, the Regional Controller of Railway Priorities, the Sea Transport Officer, Bombay, the Country Craft Organisation Officer, and the Controller of Supplies. This Committee will allocate, by mutual agreement, the priority cargoes between the various ships under their control, taking into account the available country craft capacity, which must always be used if it thereby releases steamers for duties unsuitable for sailing vessels.

At other ports, there will be local Committees consisting of the Ministry of War Transport Representative and the Principal Officer of the Mercantile Marine Department in the case of Karachi, Madras and Calcutta, and the Administrative Officer in the case of Cochin and Vizagapatam, with power to co-opt such other officers as may be necessary, such as the Port Food Movement Officer, etc., to implement the decisions of the Bombay Committee and to deal with local cargo offering.

The Coastal Shipping Committee will supply the Government of India

with forward estimates of the tonnage likely to be available each month, against which cargoes sponsored by Government Departments will be first allocated. In addition to Government cargo there will be offering general cargo from all directions. As instructions regarding such cargo cannot be issued from Delhi, the Coastal Shipping Committee will have full discretion regarding its allocation in order of priority, following such general directions as may be issued by the Central Priorities Committee.

("Indian Information", dated  
15-10-1943 ).

Indian Criticisms: (1) Mr. Walchand Hirachand's Criticism.- Criticising the above arrangements, Mr. Walchand Hirachand, Chairman of the Scindia Steam Navigation Co, declared: " It is contended, that the ships on the British Register are already 'under a measure of control which is far more stringent than the control exercised through the licensing measures announced by Government'. The misleading nature of claim is evident, when it is realised that these ships on the British Register under the so-called 'stringent control' have not only been freely and fully placed by the British Ministry of War Transport at the disposal of the ~~British~~ British shipping companies, to carry their quota of the coastal trade - control or no control notwithstanding - but they are also encouraged in every way to further dominate the coastal waters, at the cost and serious disadvantage of Indian ships. The appointment of the Indian Shipping Adviser was made mainly with a view to enable Indian shipping to carry cargo, according to its quota, and Indian shipping has been compelled to fall short of its quota by thousands and thousands of tons. The Government of India, has not helped Indian shipping companies to maintain their position in the trade, and carry their quota, as so definitely and repeatedly promised. To impose further control, under such unequal and unjustifiable circumstances, on Indian shipping alone, by means of licensing measures, amounts to discrimination in favour of ships on the British Register, at the cost and sacrifice of national ships. The Government should bring all ships, whether on the Indian register or on the British Register, plying in coastal waters, under the control of the Controller of Indian Shipping, appointed by it, and responsible only to it, and then impose equal measures of control on all of them - bearing their respective quota obligations in mind - for utilising them in the most efficient manner possible, for the prosecution of the war, and for "the maintenance of supplies essential to the life of the community".

( Bombay Chronicle, 4-10-43 ).

(2) Protest of Indian Merchants' Chamber, Bombay.- The Indian Merchants' Chamber, Bombay, has sent on 20-10-43 a telegram to the Government of India to the effect that it cannot endorse the conclusions reached by Government in its communique dated 1-10-43 and demanding that all ships, whether on the Indian register or on the British register, must be brought immediately under control of Controller of Indian Shipping in conjunction with representatives of Indian commercial community and Indian shipping interests.

( Bombay Chronicle, 26-10-43 ).

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Foreign Railway Experts Invited by  
Government of India to advise the  
Indian Railway Administration. ✓

Mr. R.J. M. Inglis, Divisional Manager of the London and North Eastern Railway Company, and Col. J.A. Appleton, formerly General Manager of the New York zone of the Pennsylvania Railroad, are shortly to pay a visit of a few months' duration to India at the invitation of the Government of India in order to place their experience and advice at the disposal of the Indian Railway Administration.

( The Hindu 12-11-1943 ). ✓

Textile Industry:

Reasonable Depreciation for Textile Industry  
In War-Time: Committee Appointed to Decide. ✓

According to a press note issued by the Government of India in the third week of ~~November~~ November 1943, the Government has decided to appoint a Committee to examine whether the textile industry is justified in asking for an increased rate of depreciation, as a result of increased use made of machinery for war work. The Committee will consist of the following:- Sir John Sheehy, Chairman, Mr. C.W. Ayers, Sir Frederick Stones, Mr. M.K. Velledi, Mr. D.M. Passmore ; and Mr. J.B. Greaves.

( The Vanguard, 21-11-1943 ). ✓

Compensation for War Injuries:

War Injuries (Compensation Insurance) Act, 1943,  
to come into force on 16-11-1943. ✓

Reference was made at page 32 of our August 1943 report to the adoption of the War Injuries (Compensation Insurance) Act, 1943. The Government of India has now notified that the Act comes into force on 16-11-1943.

(Notification No. L.Wis 828 dated  
16-11-1943: The Gazette of India  
Part I, Section 1, dated 20-11-1943  
page 1258 ).

As the Act provides for compulsory insurance of the employer's liability with the central Government, the employers will be required to make applications for insurance. It is understood that the employers will be required to make these applications after 1-1-1944, and before 31-1-1944. Arrangements are being made to inform the employers in good time about their liabilities. It is expected that the machinery to administer the Act will be set up about the middle of December, 1943.

( The Leader 23-11-1943 ). ✓

Post-War Re-equipment of Indian Industries:  
Government Gathering Information. ✓

Reference was made at page 61 of our October 1943 report to the decision of the Government of India to collect data about the capital re-equipment which will be needed by Indian industries when the war ends. According to a Press Note issued by the Government subsequently, the Government is addressing a circular letter to chambers of commerce, industrial associations and manufacturing firms likely to be interested, asking them to inform Government, without delay, of the capital goods they will require for delivery from overseas within two years after the end of the war, to replace worn out machinery and for the normal development of industry.

Orders from all over the world for heavy plant and machinery are already being placed in the chief manufacturing countries which are likely to be in a position to make deliveries after the war, and it appears inevitable that the production of capital goods will be insufficient to meet all demands. Unless therefore early action is taken, it may be impossible for industrialists to secure their requirements. The Government of India, the note points out, has no desire to interfere with any arrangements that industrialists may already have made, and wishes only to assist them to obtain goods which they may be unable to secure by their own unaided efforts.

The Government of India will also, in the near future, be inviting the voluntary co-operation of industrialists in furnishing replies to a questionnaire on post-war industrial reconstruction. The questionnaire is intended to elicit information on the basis of which plans can be formulated for the future of Indian industry.

( Industrial Bulletin of the  
Employers' Federation of  
India, Bombay, dated  
1-11-1943 ). ✓

India's Post-war Trade Policy: Discussion  
at Meeting of Consultative Committee of  
Economists. ✓

~~Discussions on~~ India's post-war trade policy, with particular reference to the question of concluding a multi-lateral trade agreement, the finance and structure of industry, and the general policy that should be followed in respect of capital goods and State aid to industries were some of the subjects discussed at the third meeting of the Consultative Committee of Economists, ~~which was~~ held at New Delhi on 12 and 13-11-1943, Sir Azizul Haque, Member for Commerce and Industries and Civil Supplies, presiding.

Indian Trade Policy. - The Committee discussed the problem of Indian trade policy in the post-war period. The discussion mainly centred on the question how far it was desirable for India to participate in any multilateral trade agreement and if so what reservations should be made to safeguard her interests. The consensus of opinion was in favour of a multilateral trading system, with suitable provisions for safeguarding the growth of Indian industries. Some of the speakers were of the view that failing a multilateral trade agreement, India might have to ~~take~~

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protect her industries by entering into bilateral treaties mainly with the Sterling Bloc. It was generally agreed that the sterling assets, which according to some members had been accumulated at considerable sacrifice to the population, should be utilised for building up the capital equipment of the country.

There was general agreement of the desirability of continuing the system of controls of exports and imports and of further extending the system, with necessary modifications to suit the conditions of the immediate post-war period. Some of the speakers advocated the creation of a central authority to direct the economic development of the country and to co-ordinate the activities of the various bodies concerned with tariff and controls.

Disposal of Sterling Balances.- The question of disposal of sterling balances was also discussed. The Finance Member, who participated in the discussion, expressed the view that the wisest policy for industrialists in this country would be to look ahead and see that the resources now coming into their possession were duly conserved through the building up of suitable reserve to meet the capital needs of the post-war period. ~~xxxxxx~~ Such a policy, if resolutely pursued, he pointed out would tend to moderate the inflationary process during the war. Some of the speakers advocated the extension of State enterprise as being the only logical conclusion to the kind of economic planning envisaged for the post-war period. Other members favoured the continuance of the system of private enterprise with adequate supervision and control by the State.

With regard to the capital requirements of Indian industries in the post-war period, the view was expressed that foreign capital might have to be imported on a considerable scale, even after allowing for the existence of sterling assets. In this connection the desirability of instituting some system of allocating priorities to the various competing demands for imported capital goods was emphasised.

Improvement of Agriculture.- On the subject of the long-term adjustment of Indian agriculture to Indian and world trade, the general view of the Committee was that it was impossible to think of industrialisation on an adequate scale without taking simultaneous measures to enhance the purchasing power of the rural population, and that, for this purpose, it was essential to take steps to secure an all-round agricultural improvement. Development of mixed farming, improved marketing of dairy products and the better utilisation of cattle resources were among the subjects discussed in this connection.

( The Hindu 14-11-1943 and  
Vanguard 17-11-1943 ). ✓✓

Inaugural Meeting of Post-War Reconstruction  
Advisory Committee of Bengal. ✓

Reference was made at page 59 of our October 1943 report to the setting up in Bengal of a Post-war Reconstruction Advisory Committee. Hon. Khawaja Sir Nazimuddin, Premier of Bengal, opened the inaugural meeting of the Committee, on 9-11-1943. The Hon. Mr. K. Sahabuddin, the Chairman of the Committee, welcomed its members and outlined the problems the Committee had to tackle.



Sir Nazimuddin's Speech.- In his opening speech, Sir Nazimuddin explained the nature of the work lying before the Committee. After assuring that the entire Governmental machinery ~~and also that~~ his colleagues would be at the service of the ~~members~~, Sir Nazimuddin said that he sometimes dreaded the termination of the war because of the grave problems which would have to be faced, problems such as unemployment and slump. ~~He~~ emphasized the need for being fully prepared to meet that situation so that Bengal might not be caught napping. He hoped that the members of the committee would suggest steps which would bring prosperity to the province.

Sir Sahabuddin's Speech.- The Hon'ble Sir Shabuddin, addressing the Committee, said: "Reconstruction is the order of the day. Even in England and the U.S.A. where war is more of a reality, steps have been taken to plan for reconstruction. Here in India also the earlier feeling that all effort must be concentrated on the prosecution of the war and that for the duration all long-term schemes must be laid aside has given way to another, namely, that if we are to win the peace we must plan ahead and prepare for all the problems which we have been constrained to shelve because of the war, and others more important, which the hopes and aspirations born of the sacrifices made in war, make it incumbent upon us to face on the cessation of hostilities and the return to peace".

Referring to some of the post-war problems that will arise, he referred to the huge problems of unemployment and of labour welfare. ~~that will arise.~~ The number of combatants from the province, ~~through~~ though not considerable, have to be resettled at the end of the war. The main problem, however, will be to ~~re-absorb~~ into industry all the technical labour, now employed in war factories and the final re-employment of numbers of middle class youths now employed in the services required for the prosecution of the war. Middle class unemployment has always been attended with risks of political turmoil in Bengal. Ways and means for finding employment for these people ~~have~~ to be considered in advance. As regards industrial workers, the Government has been successful so far in averting labour unrest, but there is need for early steps being taken to adopt a genuinely forward policy to ensure their welfare. "Some welfare schemes like sickness insurance, holidays with pay, provident funds, old-age pensions are already under examination by the Government of India. Much more in that direction remains to be achieved. I have in mind not only a minimum wage for workers in the major industries, but security of service, housing and a suitable machinery for speedy settlement of labour disputes. Above all, what is wanted is an entirely new outlook upon the part that these workers are to play in our national life. They are in a very real sense builders of our industry. The earlier this is recognised, the more chance there is for harmonious relations between workers and employers and the stabilization and prosperity of ~~all~~ industry."

( The Amrita Bazar Patrika, 11-11-1943  
and The Vanguard, 14-11-1943 ).-

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Planning for Road Development:  
Sir Kenneth Mitchell's Presidential  
Address at Eighth Indian Road  
Congress, Gwalior, 4-10-1943.

Sir Kenneth Mitchell, I.S.E., Controller of Road Transport, Government of India, presiding over the Eighth Session of the Indian Roads Congress held at Gwalior on October 4, referred in the course of his address to the need for post-war planning of road development in India. Regarding the existing shortcomings ~~and~~ of road transport, he said that the greatest defect has been failure to apply the best available skill, experience and energy to ~~the~~ the improvement of the roads upon which so largely depend the social and material welfare of the rural population. Village roads and the humbler district roads have not only not progressed, but have deteriorated with the increasing traffic of more money crops, more people, and more travel arising from security and general awakening. ~~There are hundreds, probably thousands, of large villages at some distance from any roads supposedly maintained by public authority, and many miles from any modern road, and there is general neglect of the link between the village and the public road. The people in these villages are the primary producers of crops and revenue. Every mound of exportable foodstuff, cotton, etc., originates in the village and starts its journey to market along the village or unmetalled district road, and the service which the people get from these roads is quite inadequate. Then, village roads, especially in Bengal and Bihar, which are maintained by Union Boards, are not linked to district roads maintained by public authority. The village roads must for some time more remain unmetalled, but a general campaign of widening, straightening, legal reservation of the land and the provision of culverts, is necessary.~~

Postwar Plans.- (1) Village Roads. Among the various factors which affect roads, the kind of traffic using them is very important, and this factor can be controlled to ensure greater longevity of roads. Among the postwar plans for industry, there are two things, the bullock cart and the various forms of locally made inefficient water-lift, which merit the attention of the progressive industrialist, affording at once a new industry and better machines for the agriculturist, ~~and~~ This might for a time damage the hand labourer in the village, but it would be to the long-term interests of rural economy that it should be served by more efficient machines. If the carts using the roads had pneumatic tyres, not only could the community be given many more good roads for the same money, but the better roads and carts would enable greater loads to be carried with less exhaustion of bullock power. The use of rubber tyres on carts would, for instance, open up immense possibilities for the simple brick-paved road. With many diversities of marketing trade practice, it is difficult to generalise, but it is probably true that in the majority of cases the producer can carry his crop to the market in his own cart at no cash cost to himself. To restrict this work to rubber-tyred bullock carts would mean that he would often have to pay someone else to do it. But the price might be a small one to pay for the incalculable benefit of better roads all round. Sir Kenneth suggested an enquiry into the facts, i.e. how many rubber-tyred carts would be needed.

~~As regards themselves, he said that~~ the need for permanent improvements, and capital outlay on making a permanent alignment with adequate width, proper grading, drainage and culverts, is clear. Soil stabilisa-

tion is not quite so simple. But, in the long run, the essence of the matter is proper maintenance, and that, in the case of village roads, is a matter of free labour by the villagers themselves, managed by their panchayats or like bodies. This idea is objected to by some as a reversion to something akin to begar (~~free~~ labour). There are, however, several severely practical reasons for it. In the first place, any low-cost road depends on the clay content of the soil as the binder, and proper maintenance requires not a regular labour force or haphazard earthwork, but prompt treatment at the right time when the soil is neither too dry nor too wet. Three or four men, with a pair of bullocks and a simple wooden drag, ~~them~~ can then in a few hours restore camber and fill ruts and consolidate the whole, so as to keep the road in shape for weeks. At other times, little or nothing can be done. This work surely is for the man on the spot; village road maintenance could be better done at less cost by the villager than by anyone else. Moreover, ~~this maintenance work is not a regular function of the panchayat~~ given help in the lay-out, ~~grading and location of culverts~~, the work of initial improvement also should be undertaken by the villagers by free labour. The demands for increased expenditure, both first cost and recurring, for all schemes of post-war development will be so immense that self-help will be necessary, ~~whenever~~ wherever it is possible. A drive to get the villagers to improve their own roads themselves, accompanied by a real programme to improve the district roads at public expense, should be attempted. The ~~engineers~~ would help, but the drive, encouragement and general supervision would be best left to the people dealing with rural uplift, village sanitation, consolidation of holdings, etc.

(2) ~~District Roads~~. It is on district roads, or the great mileage of roads lying in ~~the~~ between the trunk and intertown routes on the one hand and the village road on the other that the rural population most depends. It is normally in the charge of rural local bodies, but has been very badly neglected. In planning for the future, two things should be studied: the adequacy of the system in accessibility and in condition. By accessibility, he meant that no village of 1,000 population and over should be more than half a mile from a public road. Condition depends on the equation of the specification to the traffic. The present general condition of this extensive system of district roads, some metalled, many more unmetalled, seems to be a barrier to every other plan of rural uplift or improvement. The problems are of great variety, calling for different treatments. But what is a common cause of the present state of affairs, common to nearly all Provinces and districts, is an administrative misfit. He felt that placing roads under local Self-Government has not produced any good results. One reason often advanced for the failure is financial; that district boards have not the money, nor the taxing capacity, to discharge properly all the expanding functions that have devolved upon them, in education, public health and all the rest, as well as roads. This is probably true, although even the money budgeted for roads could ~~often~~ have been better or more wisely spent. Still, it must be accepted that the financing of post-war development and the overtaking of years of neglect will be quite beyond the existing and potential resources of local bodies, and probably also the maintenance of the resulting improved system. Moreover, the problem with this class of road is maintenance more than the occasional finding of large sums for development. The large sums for post-war development will come, if at all, from sources other than local rates, and if maintenance is later neglected, those large sums, are practically wasted. Therefore, provincial Governments should take direct responsibility for development and maintenance of roads.

Much of the deterioration in present efficiency is due to the status and conditions of service of district board engineers which are not such as to make for efficiency. Deprived, as ~~engineers~~ they often are, of any support and guidance from official professional superiors, they are always in danger of stagnating and dare not experiment or try to get out of the grooves bounded by conservatism and the vested interests of ~~administrative~~ contractors. One reason for the generally poor conditions of service of district board engineers seems to lie in the accountant's device of relating establishment charges to cost of works and repairs. In its application to road maintenance, it is dangerous, since it elevates, as it were, the man who spends most and degrades the man who saves most by close application of scientific low-cost methods. There is also the practical aspect of the use of machinery. As time goes on, more and more of the district road work may be done by machines. The maintenance of these machines and provision of the mechanical engineering staff by independent district boards is uneconomical. ~~Now~~ The Province has in fact become a suitable area for road management, and the isolation of district management is no longer necessary.

The first step towards the improvement of district roads is to transfer them to expert Provincial Highway Departments, which would absorb the efficient district board engineers and level up standards of efficiency all round.

Development Plans.— The ~~full~~ future district road development must be planned and pressed forward in two stages. First, whether and where an extension of mileage is necessary. This can be planned districtwise. The second and more complex question is the engineering estimation, based on actual traffic counts or estimates, of what has to be done to improve the system to present-day needs. These improved specifications, as well as earth road improvements, can then be approximately priced per mile and the whole picture reviewed without the preparation of detailed estimates. The latter should then be put in hand for the most urgently needed improvements first. It is, ~~in all~~, an immense task that should be taken up at once.

(3) All-India Highways.— The great all-India Highways and the ~~main~~ Provincial intertown roads have already been developed to standards relatively far in advance of the others. But they are still far below the standards necessary in modern times, and the war has revealed many ~~known~~ weaknesses or missing links, particularly in the all-India Highways. The future will tax the capacity of all available means of transport. Both these classes of road involve much the same engineering, administrative and money problems. In the future development of these roads, engineers will be called upon to apply the highest development of the science and art of road making and maintaining. In large scale planning it is necessary to approach costs from the longterm scientific angle, rather than from that of what is cheapest in first-cost.

Sir Kenneth's Suggestions.— It was suggested that the future importance of traffic segregation should be ~~retired~~ <sup>reconsidered</sup> and the need for a full examination of the possibilities of this should be ~~coming~~ <sup>gone</sup> before any large schemes of development go too far. Motor transport will increase, but the bullock <sup>will</sup> remain the prime mover of agricultural and other short-haul transport for many years. The ~~plan~~ <sup>plan</sup> should be on that basis. The bicycle is multiplying and will multiply rapidly, and provision ~~should~~ <sup>must</sup> be made also for herds of cattle, flocks of sheep and goats, in some Provinces strings of camels, and everywhere

the pedestrian. Elaborate segregation will obviously not be possible everywhere. But where traffic is dense - particularly on the approaches to towns - to put all this mixture on to one common carriageway by mere widening and mere widening of the original metalled road, is to perpetuate inconvenience, congestion, and risk of accidents. It will also often be far more expensive to make and maintain a great width of all-purpose surface than to provide each class with ~~what~~ what is best suited to it. The trunk or main road of the future will require much more land ~~and~~ width than is always available. There is also very great need for enactment or amendment of highway legislation generally, and for more effective remedies than now exist against encroachment on ~~the~~ road lands. This is allied to the question of taxation of "betterment value" of land due to road improvement. The principle is accepted in many countries, but its application to agricultural land values in India is limited by the smallness of holdings, and it is already supposed to be taken into account at the time of settlements. The case of large estates on permanent settlement is different, as also is the sale of agricultural land for industrial development arising out of the improvement of roads, or for which road expenditure has to be increased. In the latter case, in particular, the sudden appreciation in value should be tapped. Ribbon development must likewise be controlled.

( Indian Information, 1-11-1943 ). ✓

Post-war Scientific Research:  
Prof. A.V. Hill to India  
at invitation of Government of  
India. ✓

Prof. A.V. Hill, Secretary of the Royal Society, who is at present at Delhi in response to the Government of India's request to the Society to send a representative to advise the authorities on problems of post-war scientific research, explained the purpose of his mission at a press conference in New Delhi on 24-11-1943. Prof. Hill stressed the need for establishing greater contacts between Indian and British Scientists. Speaking about India's large number of highly trained scientific workers, he remarked: "If some arrangements could be come to by which India would maintain in the United Kingdom a small scientific mission just like what America and the Dominions do, and if Britain could maintain a similar mission in India, we should be able to do something which would be of great use not only for the war but <sup>for</sup> co-operation after it". He was of opinion that the great long-term problems of India are biological ones related to agriculture, health and population.

Prof. Hill is expected to be in India for about four months. He will visit different universities and research institutions.

( The Times of India, 27-11-1943 ). ✓

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Future Development of Indian Industries:  
Government of India Issues Questionnaire. ✓

Following the meeting of the Policy Committee on Post-war Trade and Industry in New Delhi last month (vide page 61 of our October 1943 report), ~~and~~ an industrial questionnaire has been issued to all Chambers of Commerce, and Industrial Associations, as well as to over 330 individual manufacturers by the Industries and Civil Supplies Department, Government of India. The questionnaire calls for facts and figures regarding 52 different industries in India and for opinions on their future development. The Government is also collecting all information on the subject available from official sources.

The returns, it is understood, will help to form as complete a picture as possible of India's industries as they are today, as they have developed in the past few years and as they are likely to find themselves on the cessation of hostilities, with a view to the formulation of plans for the future of industry on an all-India scale.

( The Statesman, 26-11-1943 ). ✓

Agricultural Work for Demobilised Soldiers:  
Dr. MacLagan Gerrie's Scheme. ✓

Dr. MacLagan Gerrie, of the Indian Forest Service, in a paper read before a meeting of the Crops and Soils wing of the Imperial Council of ~~Agricultural Research at Harrow~~ ~~on~~ the end of November 1943, dealt with the scope for absorption of demobilised soldiers on the land. He estimates that, with large-scale planning and in concert with Central and provincial Governments, the army, the returned soldier and soil conservation specialists in the provinces, some 170,000,000 acres of ~~barani~~ barani land (land dependent on rains alone and not on irrigation) and ~~waste~~ land could be brought into full cultivation. (India at present has some 260,000,000 acres under food crops). Dr. Gerrie recalled that in the Tennessee Valley (U.S.) a central authority, with autocratic control "literally worked miracles in improving the status of what was in 1934 a bankrupt and down-at-heel agricultural community". The chief point of his scheme is to ask for the co-operation of the army-the engineer-in-chief's machinery companies, pioneer companies, and other army units. Confining his proposals to non-irrigated lands, Dr. Gerrie estimates that out of 13,000,000 acres of barani cultivation and 14,000,000 acres of uncultivated waste in the Punjab, possibly 16,000,000 acres are capable of higher standard of land use, but only after a great deal of terracing, ridging and subsoil ploughing. With "current fallow" and land under intermittent cultivation, ~~for~~ ~~totaling~~ totaling together to 5,000,000 acres, he estimates that there is an overall total of improvable land of 21,000,000 acres in the Punjab alone. Similarly in the U.P. and C.P. and the drier parts of Bombay and Madras and in the broken country of Bihar, taking ten per cent. of the net sown area, half of the current fallow, half the non-available waste and ten per cent. of the village forest land, he calculates that a total of 140,000,000 acres for British India and 30,000,000 for Indian States of improvable land exists.

( The Times of India dated  
30-11-1943 ). ✓

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India's Post-war Reconstruction:  
Government's of India's Plans.

According to the special correspondent of the Times of India in New Delhi, it is expected that the Government of India will take a decision before the coming new year to determine the major plank of its post-war reconstruction policy and ~~the~~ prints will be ready by the end of June 1944. Realising probably that at the present pace of progress plans will not mature by the time ~~of~~ the war is over and that the absence of clear guidance has been a handicap, the Viceroy took the opportunity in the middle of November 1943 of ~~an~~ consulting the Provincial Governors. The main policy will be determined shortly by the Viceroy's Executive Council and by provincial Governments in the light of the Delhi discussions. It is gathered that the need is not felt at present of creating a department for post-war reconstruction or placing a separate member of the Executive Council in charge of this work. The Government ~~attains~~ appears to have divided post-war problems under three main heads - industrial growth, economic development and social reconstruction. It is pointed out that the financial resources of India and the taxable capacity of the people prevent simultaneous progress in the three spheres and that Government must first decide which of these it should encourage first.

Agricultural Reconstruction.- It is argued that industrialists have made ~~their pile~~ and can be left to fend for themselves, except that ~~Government can guide and assist them financially.~~ As for social reconstruction it is felt that religious and communal differences and deep-rooted social practices make it difficult for ~~the~~ Government agency to ~~plan and execute~~ social reforms. Moreover, such a task would need gigantic resources, whereas India's economic strength is ~~unable~~ yet to meet the bill for universal education or the national health scheme. The country must be developed first and enriched to enable the people to bear the cost of social changes. The sphere thus left for Government initiative is of economic development, which means broadly that production from land be increased and communications developed. Thus agricultural progress becomes the foundation stone of the proposed economic drive. In order that the farmer ~~be~~ encouraged, it is necessary to ~~stabilise~~ stabilise commodity prices at a higher level than ~~pre-war level~~ to place in the cultivator's hand the wherewithal to improve implements and stock and use fertilizers, which would be manufactured in India and would be subsidised by Government. In addition, Government will stimulate development by furthering irrigation, increasing hydro-electric power and improving communications, embracing road, rail, waterways, air, posts and telegraphs, and telephones.

Industrial Development.- Thus State enterprise will mainly be in the sphere of public works, and the slogan of advocates of this view is "Ruffasill before urban". There is another school of thought composed largely of industrialists and public men who are members of various advisory committees on post-war reconstruction. They wish industrialisation and social ~~an~~ reconstruction to go hand in hand and would have the State adopt this as its major plank. According to this group, what industry needs is rehabilitation of equipment and machinery for heavy industry. It fears that if agriculture is treated as an industry then industry proper may be relegated to a secondary place. It is pointed out that the foundation of ~~the~~ economic framework must be healthy and that it will be futile to develop communications unless it can be utilised by industry. It is stated that ~~considerable~~ considerable profits made by industry



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( The Statesman, 26-11-1943 ). ✓

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( The Times of India dated  
30-11-1943 ). ✓



has been made at the expense of industrial equipment, and that, after the war it will be necessary to replace worn-out machinery and introduce new machinery and new technique.

It is suggested that the present tempo of taxation borne largely by industry and rich business and justified by national emergency will have to be adjusted to enable industries, firstly, to face foreign competition, and secondly, to produce cheap consumers' goods to provide freedom from want. It is further argued that if attention is concentrated only on the agricultural side, India may be losing the lead already given to an appreciable percentage of the population, who have, during the war, received valuable lessons in artisanship in various trades. So, as part of the educational programme there must be intensive development of the present-day's industrial education.

**Finance.**— Common ground between the two schools of thought is that commodity prices and wages should be at a higher level than pre-war so that direct taxation of incomes, including agricultural income, may provide funds for meeting the interest on development loans. If money can be lent for war against fellow men, it should be forthcoming for war against ignorance and poverty, more particularly as this expenditure will yield results in five or ten years in case of public works, and in a generation in case of universal education and national health.

It is calculated that the present administrative organisation cannot easily spend more than Rs. 500,000,000 a year on capital works and as cheap money should continue to be available for at least three years after the hostilities cease, a borrowing programme of Rs. 2,500,000,000, spread over five years should be easy of fulfilment as the first instalment. As most of the provinces will face a series of deficits after the war, the main burden of finance will devolve on the Centre. But whoever raises loans the greatest need is to integrate the programmes of the Centre, the provinces, and States.

( The Times of India dated  
29-11-1943 ). ✓

#### Price Control:

#### Cost-Price Stores to be established in Delhi for Central Government Servants.

Cost-Price Stores for civilian employees of the Government of India are being opened in Delhi on the lines of the stores for military personnel, which have been functioning for some time. A store will be opened in the Secretariat building for gazetted Officers of the Civil Secretariat. Another store will be opened in Connaught Place for lower ministerial staff and peons. A similar store may be opened in Civil Lines, Delhi, for Central Government employees who work and reside there.

( The Statesman, 28-10-1943 ). ✓

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ns of Work

Administration Report of the Controller of Labour for 1942. November 1943. Printed at the Ceylon Government Press, Colombo. 1943. Price 85 cents.

Conditions

"India and International Currency Plans" by V.K.R.V. Rao, University Professor of Economics, Delhi. S. Chand & Co., Delhi. Price Re.1/8/- . 1943.

Bulletin No. 1. Thirty-ninth. Department of Statistics. Statistical Abstract of the Baroda State from 1932-33 to 1941-42. Published by authority. Baroda: Printed at the Baroda State Press. 1943. Price Re.1-2-0.

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Annual Report of the Agent of the Government of India in Ceylon for the year 1942. Published by the Manager of Publications, Delhi. 1943.

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Board of Economic Enquiry, Bengal. Report on the investigations made in connection with the enquiry about the desirability and feasibility of establishing warehouses for Agricultural produce in Bengal, by Secretary, Board of Economic Enquiry, Bengal. Superintendent, Government Printing, Bengal Government Press, Alipore, Bengal. 1943.

Conditions

Census of India, 1941. Vol. XX, Gwalior:- Part III - Village Statistics. By Ranglal, B.A., Census Commissioner, Gwalior State. Gwalior: Printed at the Alijah Darbar Press, Lashkar. 1943. Price Rs.12/=. (In Hindi).

Health

Government of Bengal. Thirty-seventh Annual Report of the Bengal Smoke Nuisances Commission for the year 1942. Superintendent, Government Printing, Bengal Government Press, Alipore, Bengal. 1943. Price Anna 1 or 2d.

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Reports on the Administration of Municipalities in the Province of Bombay for the year 1941-42. (Including Statistical Statement for the City of Bombay.) Bombay: Printed at the Government Central Press. Price As. 12 or 1s.3d. 1943..

**INTERNATIONAL LABOUR OFFICE  
INDIAN BRANCH**

**Report for December 1943**

*1/11/44  
2 M Rao.*

**N.B. Each section of this Report may be taken out separately.**

*C6/2/44*

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## NATIONAL LABOUR LEGISLATION.

Government of India.

### Lifting of Ban on Employment of Women Underground in Coal Mines in Orissa.

Reference were made at page 1 of our July 1943 report and page 2 of our November 1943 report to the lifting of the ban on women in underground work in coal mines in Central Provinces and Berar, Bengal and Bihar. In exercise of powers conferred by section 46 of the Indian Mines Act, 1926, the Government of India has by a notification (No. M5962) dated 4-12-1943 exempted, until further orders, all coal mines in the province of Orissa from the provisions of clause (j) of section 29 of the Act, to the extent to which regulations made thereunder prohibit the entry of women into underground workings for the purposes of employment, subject, however, to the following conditions, namely:- (i) no woman shall be employed underground in galleries which are less than six feet in height; and (ii) every woman employed underground shall be paid wages at the same rate as a man employed underground on similar work.

( The Gazette of India Extraordinary,  
dated 4-12-1943, pages 823-824 ).

According to a note published in the December 1943 issue of the Indian Labour Gazette, the reason for the above order, as also the two previous orders of the kind referred to regarding lifting the ban on the employment of women underground in coal mines, is the inadequate supply of labour in the mines. It is expected, the note points out, that the temporary measures of permitting women underground will alleviate the prevailing labour shortage.

'The minimum coal requirements of Indian industry over a year will be about 26 million tons and even with this amount some rationing of consumers would be necessary. With less coal production, more severe rationing would be necessary with consequent loss of production and employment'.

Bengal.

### The Bengal Steamer Khalasis Bill, 1943.

The Bengal Steamer Khalasis Bill, 1943, a non-official Bill to make provisions for the betterment of the conditions of work of steamer khalasis in Bengal, was introduced in the provincial Legislative Assembly on 28-9-43. Khalasis, as defined in the Bill, include all steamer employees in inland waterway transport, except drivers, serangs and masters and may be divided into the following classes:- trimmers, engine department khalasis, bhandari (store-keepers), mahtars (sweepers), wheelmen, oilmen, lightmen, firemen, and manifest clerks.

The Bill aims at — (a) recognition of the khalasis directly by the employer in charge of the management of the steamers navigating in the province of Bengal, (b) total abolition of the present anomalous practice of leaving the khalasis entirely at the mercy of the masters, serangs and drivers who, taking full advantage of their ignorance and economic helplessness, exploit them to the fullest possible extent, and (c) fixation of the minimum salary of the khalasis at Rs. 20 per month.

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addition to usual leave and free travel pass, etc. Besides making provision to meet these ends, the bill also provides for gratuity and pension on completion of 20 years service, sick-leave with full pay for a period of treatment and compensation for disablement, partial or permanent, due to injuries ~~suffered~~ suffered while on duty, in accordance with the provisions in the Workmen's Compensation Act, 1923.

The Bill, if enacted into law, the statement of Objects and Reasons lays out, would, besides improving the standards of living of khalsis, also help to relieve the growing unemployment problem in Bengal as steamer companies normally require a large number of khalsis.

( The Calcutta Gazette, dated  
25-11-43, part IV-A, pages  
55-57 ).

*Bengal.*

Draft Rules re-Appointment of Medical  
Referees: Amendments to Workmen's Com-  
pensation Rules (Gazetted by Bengal  
Government).

Reference was made at page 1 of our November 1942 report to the option by the Bengal Legislature, and the publication as an Act, of the Workmen's Compensation (Bengal Amendment) Act, 1942, which provides for the appointment of medical referees under the Act to help the speedy settlement of compensation claims. To give administrative effect to the Act, the Government of Bengal proposes the adoption of certain rules. The draft, now published, is to be taken into consideration by -3-1944.

( Notification No.3901 Com-dated  
25-11-1943: The Calcutta Gazette  
dated 9-12-1943, part I, pages  
1765 to 1767 ).

Mysore.

The Mysore Labour (Amendment) Bill introduced  
in the State Legislative Council.

Among the official bills introduced in the Mysore Legislative Council, 10-12-43 was the Mysore Labour (Amendment) Bill, ( Details regarding provisions of the Bill and its progress in the Council are not yet available ).

( The Times of India dated  
13-12-1943 ).



3

SOCIAL POLICY.

4th Meeting of the Standing Labour  
Committee to be held at Lucknow on  
7 and 8-1-1944.

The Fourth meeting of the Standing Labour Committee of the Tripartite Labour Conference is to be held at Lucknow on 7 and 8-1-1944. It is learnt that the Committee will consider the report of the Dearness Allowance Committee (vide pages 38-39 of our October, 1943, report) and will examine the possibilities of having statutory wage control in India. Questions relating to model provident fund rules, and employment exchanges, which are now being set up, will be discussed, and the position relating to canteens for workers will be reviewed at the meeting.

*Indian Labour Gazette*  
( The Hindustan Times, dated  
Dec., 4-12-1943 ).

It is later understood that the above meeting has been postponed to 25 and 26-1-1944.

General.Labour Welfare Measures in Hyderabad State.

Labour matters having assumed importance as a result of industrial development in the Hyderabad State, the need for a separate institution to cope with them has been felt for some time. Government, as an experimental measure, sanctioned the appointment of a Labour Officer for a period of two years to bring about better labour conditions, and to ensure the smooth working of the various labour legislation measures. The Labour Officer was entrusted with the drafting and amendment of labour legislation and with keeping an up-to-date record of the legislative enactments as applied in British India.

Labour Legislation.-- During 1351 Fasli (1941-42) the Hyderabad Industrial Dispute Bill was drafted to provide machinery for the settlement of industrial disputes. The Payment of Wages Bill was introduced as a Regulation and Rules thereunder were drafted; this Regulation enables workers to receive their wages without undue delay and proper deductions. A new Factories Bill was drafted as the existing Act had become obsolete and required amending. The special feature of this Bill is that hours of work have been reduced to 54 per week. A number of other changes also have been made in view of the recommendations of the Royal Commission on Labour. The Workmen's Compensation Act was enforced in 1349 Fasli (1939-40) and the Rules under this Act were brought into force on 13th Dai 1351 Fasli (November 1941). Amendments to the Workmen's Compensation Act and Rules thereunder have been published for public information. First Tahsildars have been appointed Commissioners of workmen's compensation in their respective districts. Maternity benefit Rules have also been enforced.

Considering the importance of industrial effort during the war it was essential to keep labour at work. To achieve this end a Trade Dispute Order, under Rule 72-A of the Defence of Hyderabad was brought into force as an emergency measure by which Conciliation Boards and Industrial Courts may be appointed by the President-in-Council for the speedy and peaceful settlement of trade disputes.

Co-ordination with British India.-- To keep in touch with the labour activities in British India representatives were sent by Government to the Labour Conferences held at New Delhi. After attending the third conference of Labour Ministers held in January 1942 and the Tripartite Labour Conference held in August 1942 at New Delhi, the representatives from Hyderabad submitted a report to the Nizam's Government and suitable measures are being taken in matters concerning labour legislation, labour welfare, etc., in accordance with the recommendations submitted by them.

Other Measures.-- Several meetings were held during 1351 Fasli (1941-42) to discuss problems connected with labour welfare. All factory managers were advised to appoint factory labour officers. The attention of mill managers was drawn towards the work of labour welfare and they have been persuaded to increase the dearness allowance, to pay proper wages, to provide adequate medical facilities and to supply grain to the workers at cost price. The desirability of introducing a provident fund was also emphasised.

(Hyderabad Information, December 1943 issue).

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ECONOMIC CONDITIONS.

Central Glass and Silicate Research Institute  
to be Established : Decision of the Governing  
Body of the Council of Scientific and Industrial  
Research.

At a meeting of the Governing Body of the Council of Scientific and Industrial Research, held at Bangalore on 1-12-43, it was decided that the Government and industrialists should be approached to raise sufficient funds to bring into being a National Chemical Laboratory, a National Metallurgical Laboratory and National Physical Laboratory. The Governing Body also decided to extend by an year a dozen research schemes already in existence. It was also decided to give immediate effect to the establishment of a Central Glass and Silicate Research Institute and a Fuel Research Station. In order to give effect to utilization of researches, a Committee consisting of a president and two industrialists as members has been formed. The Committee will meet frequently to settle terms on which research processes may be handed out to interested parties.

(The Hindustan Times, 8-12-1943).

Exploitation of India's Mineral Resources:  
Plan for Better Organisation.

Speaking at a meeting of the Geology Association of the Presidency College, Madras, held on 4-12-43, Mr. B. Rama Rao, Director of Geology, Mysore, dealt with the steps that should be taken by the Governments, Central, Provincial and State, for the better exploitation of the mineral resources of the country. He drew attention to the mineral wealth of the country and said that at present there was hardly adequate information about the deposits, the extent of supplies available, their quality etc. It was necessary to have an intensive survey of the land and the resources available. This sort of survey could only be undertaken by a governmental agency. In most of the provinces and the States, the mineral rights vested in the Government; even so, most of the States and even the Government of India had been functioning merely as custodians of the wealth. In the present backward condition of India, such a neutral attitude will not conduce to the rapid growth of the mineral industry.

Mr. Rao stressed that Government should take a more active interest in the development of mineral resources. They must formulate workable plans, initiate and establish suitable mineral industries, try to prevent unhealthy competition, establish marketing boards and take up responsibility for managing a few of the main industries through their own organisations. Turning to more urgent problems, he said that a mineral survey department with a competent staff of mining, engineering and geological experts should be organised in each province. The best interests of India needed a certain measure of co-operation and concerted planning between the Provinces and the State. The Central Government should also constitute a National Mineral Utilisation board which should include members of the several provincial and State mineral departments. It should co-ordinate the activities of the

different parts of the country and have standing advisory committees of experts in the different sections of the industries. The Central Government must also set up a well-equipped National Mineral Institute.

( The Hindu, dated 4-12-1943 ).

Meeting of the Governing Body of Council  
of Scientific and Industrial Research  
Bangalore, 1-12-1943.

At a meeting of the Governing Body of the Council of Scientific and Industrial Research, held at Bangalore on 1-12-1943, the appointment of two Committees, one to give a fillip to industrial research and other to expedite utilisation of research, was decided. For the former Committee, a sum of Rs. 20,000 was sanctioned towards the expenses and the Committee is to report in three months on which the gaps in the existing organisation of scientific and industrial research and suggest a co-ordinated plan for research and measures for post-war research under various laboratories run at present by Government, universities and industry. The second committee, consisting of a president, with Sir Sri Ram, and Sir A.H. Ghaznavi as members, will act on behalf of the Research Utilisation Committee and, by meeting frequently, will help to expedite the work of research utilisation.

Amongst the several schemes of industrial research sanctioned at the meeting were some of immediate interest. An important discovery is that the antimalarial quality of pyrethrum can be activated five to ten times. Further research for production on a large scale of pyrethrum activation is to be undertaken. Another is the discovery of a substitute for wattle bark which has hitherto been imported from South Africa. A glass research institute is to be established, as it is feared that the development of glass industry will be hampered after the war unless research into the way to the manufacture of better quality glass in India. Fuel research at Dhanbad and Tatanagar will be stimulated by the opening of Fuel Research Station to help in the grading and better utilisation of coal, which is particularly desirable at present owing to coal shortage.

The constitution of the Council of Scientific and Industrial Research has been revised. The office of vice-president has been created and Dr. W.S.A. Wyderi, Secretary, Department of Industries and Civil Supplies, Government of India, has been elected to it for two years to exercise powers delegated by the president. Sir S.S. Bhatnagar, Director of Scientific and Industrial Research, has been put in charge of all technical work and has been made wholly responsible for the administration of the Council. As Sir S.S. Bhatnagar will devote his time to running the national laboratory and to the programme of research, a separate director of the laboratory in Delhi will be appointed. This laboratory will later be merged in the proposed national chemical laboratory to be opened at Poona.

It is understood that a Committee to enquire into and report on the planning of post-war scientific and industrial research for India is being appointed and its personnel and terms of reference are expected to be announced soon.

( The Times of India, 14-12-1943  
and The Hindu, 19-12-1943 ).

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Premature Termination of M. & S. M. and  
S. I. Railway Contracts: Rly Standing  
Finance Committee Approves Scheme.

At a meeting held at New Delhi on 15 and 16-12-1943, under the chairmanship of Mr. Zahid Hussain, Financial Commissioner for Railways, Government of India, the Railway Standing Finance Committee approved the negotiations carried on by the Government of India for the premature termination of the contracts of the Madras and Southern Mahratta Railway and the South Indian Railway and buying the two Companies from the present stock holders.

According to the provisional settlement arrived at between the Secretary of State for India and the Board of Directors of the South Indian Railway, the existing contract will be terminated, subject to the consent of stock-holders, on 31-3-1944.

The first option date for the termination of the contract was 31-12-1943 on payment of £ 1,12,500 to the present stockholders. The Government of India has expressed a desire to terminate the contract of the Madras and Southern Mahratta Railway company also on 31-3-1944. Negotiations about terms are proceeding.

( The Hindu, dated 4 and 31-12-43  
 The Hindustan Times dated  
 18-12-43 ).

Working Class Cost of Living Index for  
Various Centres in India during March  
April, 1943.

The index number of the cost of living for working classes in various centres of India registered the following changes during April 43, as compared with the preceding month:-

<u>name of Centre</u>	<u>Base=100</u>	<u>March 1943</u>	<u>April 1943</u>
Amby	Year ending June 1934	208	225
Madabad	Year ending July 1927	175	187
Colapur	Year ending January 1938	160	163
Gpur	August 1939	262	291
Dhiana	1931-35	339	348
Mnpore	August 1939	248	279
Una	Average cost of living for five years preceding 1914.		302
Mshadpur	Ditto	265	300
aria	Ditto	269	290
dras	Year ending June 1936	170	172
dura	Ditto	164	178
Imbatore	Ditto	185	190

( Monthly Survey of Business  
 Conditions in India for  
 April, 1943 ).

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Development of Fisheries in India:  
Central Fisheries Research Insti-  
tute to be Established.

The fisheries Committee of the Imperial Council of Agricultural Research, which met at New Delhi in the second week of December, 1943, has decided to broaden its activity so as to deal with the problem of supplementing food by a vigorous development of the fishery industry in the country. At present, about 650,000 tons of fish are produced in India, and the yield can be multiplied considerably provided the necessary arrangements can be made for the supply of the required number of boats and launches and for the provision of adequate facilities for cold and storage, transport and marketing. The Committee has, therefore, decided to establish a Central Fisheries Research Institute and has appointed a sub-committee to draw up the lines on which the Institute should work.

( The Statesman, dated 15-12-1943 ).

Manufacture of Motor Cars and Trucks  
in India: Messrs. Birla Bros' Enter-  
prise.

According to a United Press message, Messrs. Birla Brothers, who have already acquired an assembling plant and other machinery will be establishing a motor car plant in the country as soon as circumstances permit. An application has already been submitted to the Government of India for increase of capital of Hindustan Motors Ltd. Expert staff is being recruited from England and the United States of America.

( The Amrita Bazar Patrika,  
dated 1-1-1944 ).

Working of the Workmen's Compensation Act in India, 1941.

Compensation Statistics.-- The total number of cases in which compensation was paid to workmen in India under the Workmen's Compensation Act, 1923, during the year 1941 was 38,908 (excluding figures for Delhi which had not been received at the time of the report) as compared with 41,015 cases in 1940, and the amount of compensation paid was Rs. 1,583,382 in 1941 as against Rs. 1,938,476 in 1940. Of the 38,908 cases 36,858 were adults and 50 minors. There were 819 cases of death during the year, 2,270 cases of permanent disablement and 35,819 ~~for~~ cases of temporary disablement. The compensation paid were Rs. 588,928 for deaths, Rs. 562,906 for permanent disablements and Rs. 431,480 for temporary disablements. These figures are based on the returns submitted by employers under section 16 of the Workmen's Compensation Act, but they are only approximate as all employers are not required to submit returns and some of those who are required, fail to submit or submit incomplete returns. In Bombay, the provincial report points out that out of 2,640 establishments to which forms were supplied, only 2,293, i.e., about 90 per cent submitted returns. Of the defaulters, the cases of municipalities and district local boards have been particularly mentioned. Only 27 per cent of these, were reported to have furnished information and that too after great deal of correspondence. "A number of municipalities and district ~~municipal~~ local boards", the report states, "did not even know that any of their employees were amenable under the Act". In Madras also there were defaulters but the percentage was less than in Bombay and the cases were being scrutinised in case any action was found necessary.

During 1941 Bombay showed a substantial increase both in the number of accidents reported and the amount of compensation paid, while Bengal recorded just the reverse. In Madras, the number of accidents decreased, but the amount of compensation increased. In the Posts and Telegraphs Department the number of cases was the same as that of last year but the compensation increased. Railways reported a slight increase in the number of accidents but decrease in the amount of compensation paid. The average sum paid during the year per case was Rs. 40.7 as against Rs. 47.2 during 1940. As regards occupational diseases, one case of temporary ~~disablement~~ due to lead poisoning was reported by the South Indian Railway; there was no other case.

Trade Unions' Interest in Obtaining Compensation.-- In the matter of assisting employees to obtain compensation very few trade unions are reported to have shown interest; of the few that did, the Textile Labour Association, Ahmedabad, deserves special mention. The Association handled 138 claims of which 95 were successful, compared with 119 and 99 respectively in the previous year. The total amount of compensation secured through the Association during the year was Rs. 16,817-0-0. In Bombay, in over 57 per cent, of cases insurance companies appeared on behalf of the employers, and the report adds that if more employers, especially, ~~small~~ individual employers insured themselves, claims would be more expeditiously settled. In Madras, the total number of employers on behalf of whom insurance companies submitted returns through the Calcutta Claims Bureau was 133.

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Appeals.- 13 appeals were filed during the year while twenty-two were pending at the beginning. Of these 18 were disposed of during the year leaving 17 pending at the close. In C.P. one reference under section 1 was received and disposed of; the details have not been reported.

Wage Groups more prone to Accidents.- An analysis by wage groups reveals, as in previous years, that accidents are more often sustained by the comparatively lower paid. This is possibly due to the fact that the low paid are often unskilled and their lack of training in the skilful handling of machinery makes them particularly prone to accidents. In Bihar, 85 per cent. of the workmen that sustained fatal accidents were receiving wages not exceeding Rs. 21 a month. In Bombay the wage group most numerously represented was Rs. 21 with Rs. 30 as the next group. In Sind the largest number of accidents occurred in the Rs. 10-15 group, this being probably accounted by the fact that wage rates in this province are generally lower than in a province like Bombay.

It has been reported from Bihar that in the larger industrial areas like Dhanbad and Dhalbhum the provisions of the Act were widely known and that the workers took full advantage of it. Also, the majority of the colliery owners did not take advantage of the poverty of the workers and readily admitted claims which fell prima facie under the Act. In the C.P. however, "The smaller employers", to quote the report, "who do not insure their risks, try to bring workmen or their dependents to a compromise by private settlement out of Court or by protracting court proceedings till the workman gives in through poverty".

( Indian Labour Gazette,  
December, 1943 ).



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EMPLOYMENT, UNEMPLOYMENT AND VOCATIONAL TRAINING.

Vocational Education in Bengal: Inquiry  
Committee appointed by Government.

The Government of Bengal has appointed, on 2-12-43, a Committee under the chairmanship of Mr. F. Rahman, W.L.A. (Bengal) to inquire into and report on the present state of vocational and technical education in the province and to suggest measures for improvement. The Committee consists of seven members including the Director of Industries, Bengal (ex-officio), and Dr. P.N. Ghosh, Calcutta University. Mr. D.W. Ghosh is the secretary.

The terms of reference of the Committee are :

I. To enquire into the present state of technical and industrial education in Bengal with reference to —

(a) Higher technical education as imparted in the colleges affiliated with the Universities of Bengal or in other institutions,

(b) Technical education as imparted in railway technical schools, Calcutta Technical School and other such schools,

(c) Artisan training as imparted in the Technical Schools under the Department of Industries or under private management, and

(d) The training as imparted in any other categories of vocational and technical schools in Bengal.

II. To suggest a comprehensive scheme of industrial and technical education for the province so as to serve the progressive needs of the industries and the people of Bengal.

The Committee is expected to complete the enquiry by the end of the current financial year ~~1944~~ (31-3-1944) and to submit the report with as little delay as possible thereafter.

( Resolution No. 3151 IND,  
dated 2-12-43, The Calcutta  
Gazette dated 16-12-43, Part I,  
Page 1788 ).

Working Conditions in Ceylon:

Report of the Controller of Labour, 1942.

The Administration Report of the Controller of Labour, Ceylon, for 1942 consists, as usual, of two parts: the first, dealing with the conditions of labour in the Island in general, and the other, exclusively with Indian immigrant labour. The salient points in the report are noted below:

Labour Legislation:

(a) The Draft Industrial Disputes (Conciliation) Ordinance.— The draft of the Industrial Disputes (Conciliation) Ordinance was prepared in 1941 and considered by the Executive Committee when certain amendments were suggested. These are still under consideration.

(b) The Wages Boards Ordinance.— The Wages Boards Ordinance (No. 27 of 1941) was brought into operation on 19-2-1941. Under Part I of this Ordinance, which is applicable to all trades, the maximum deduction from wages, which can be made with the consent of the worker, is limited to one half of the wages due for any wage period. The employer is also obliged to keep records of all wages paid to workers employed by him, of all deductions from wages and the dates on which wages have been paid. Part II of the Ordinance which provides for the establishment in respect of any particular trade or industry of a Wages Board has not as yet been applied by Order made by the Minister to any trade or industry. By the end of the year, however, preliminary measures were taken towards the application of this Part to the tea, rubber, coconut and plumbago industries and to the engineering and printing trades. Objections received from employer and employee associations have been duly considered by the Minister. The preparation of an Amending Ordinance to give effect to certain suggestions on the composition and proceedings of Wages Boards made by the Secretary of State has delayed the application of Part II to special trades. A Draft Ordinance for giving effect to the amendments and Draft Regulations to facilitate the functioning of Wages Boards has been prepared.

(c) The Factories Ordinance.— The Factories Ordinance (No. 45 of 1942) was passed by the State Council on 1-10-1942, and assented to by the Governor on 19-10-1942. Certain preliminary steps which are necessary prior to promulgation are being taken.

Legislation affecting Indian Labourers on Estates.— A draft Bill was prepared to amend the Minimum Wages (Indian Labour) Ordinance, Chapter 114, in order to revise the provision for the feeding of children on estates. The Bill was considered by the Executive Committee and it was decided that as a scheme for the rationing of rice was in operation the Bill should be laid by for the present.

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\* Administration Report of the Controller of Labour for 1942 (A.E. Christoffels, Esq., C.C.S.) November, 1943. Printed at the Ceylon Government Press, Colombo. To be purchased at the Government Record Office, Colombo; price 25 cents, pages 0 42.

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A draft Bill was prepared to provide for the eviction from estates of labourers by civil process on the termination of their contract of services, and was considered by the Executive Committee for Labour, Industry and Commerce, on more than one occasion. No final decision had been reached at the end of the year.

Ceylon and the I.L. Conventions.— An annual report is furnished to the Secretary of the State for the Colonies on the application in this country of the International Labour Conventions ratified by Great Britain. The Executive Committee for Labour, Industry and Commerce, decided that Convention No. 50 concerning the regulation of certain special systems of recruiting indigenous workers should be applied to Ceylon and the Legal Secretary was requested to issue instructions for the preparation of the necessary legislation.

Workmen's Compensation Statistics.— During the year 6,892 accidents were reported as against 5,618 in 1941. Of these, 109 were fatal as against 105 in 1941. The returns furnished by employers showed that Rs. 202,588.95 was paid during the year as claims in respect of 5,917 cases. As against this the amount of compensation paid in 1941 was Rs. 262,234.09 in respect of 7,072 cases. As regards total accidents proceedings were taken in 146 cases during the year. Liability was admitted and compensation was deposited with the Commissioner in 81 cases.

The amount of compensation deposited with the Commissioner during the year was Rs. 115,671.20 as against Rs. 103,693.66 in 1941. Seven appeals to the Supreme Court under section 48(1) of the Workmen's Compensation Ordinance were filed during the year. The findings in 4 cases were affirmed and the appeals dismissed. In one the order awarding compensation was set aside. In another case an application for revision was refused by the Supreme Court. The remaining appeal was pending at the end of the year. 971 agreements under the Workmen's Compensation Act were registered during the year; 224 agreements were kept pending at the end of the year. Of the 971 agreements registered, 237 were in respect of permanent disablement, 731 in respect of temporary disablement and the remainder in respect of commutation of half monthly payments due for the period of temporary disablement. The amount of compensation paid in respect of the 237 cases of permanent disablement was Rs. 88,085.95. Four claims for compensation in respect of industrial diseases were received. The employers denied liability to pay compensation in two cases. The cases were fixed for inquiry and resulted in the claims being dismissed. The two other claims for compensation were in respect of lead poisoning. The cases were, on enquiry, found to be genuine, and compensation was paid by the employers.

Trade Unions.— During this year, 21 unions applied for registration and of these 20 were registered. At the end of 1941 the number of unions in operation was 74. The registration of 15 of these was cancelled and one was amalgamated during the year under review. 78 unions were therefore in operation at the end of the trade union financial year. The annual returns however were due only in respect of 58 unions as the rest were registered during the course of the year and one full year had therefore not elapsed. As a result of the war emergency and workers leaving Colombo the work of most unions was seriously disorganised for some months. In certain cases union officials left Colombo and their books were obtained with the greatest difficulty and some unions were not functioning even after conditions

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improved and their registration was eventually cancelled on this account. Owing to food rationing and the shortage of supplies caused by war conditions, &c., the cost of living began to rise. Most of the unions revived their activities in May and June and consequently demands were presented by employees and unions for an increase in wages and war bonus and a reduction in the number of hours of work. Unable then to return to their homes early as owing to their evacuation from Colombo they had to travel long distances daily. The employers met the situation by granting suitable increases and in many cases by the provision of a midday meal. With regard to the attitude of employers towards trade unions, the report says: "Many employers of industrial labour are beginning to realise that the trade union movement has come to stay and they are showing greater readiness to negotiate with unions whenever any matters are taken up by them on behalf of their members. There is however still a minority of employers who are not agreeable to having any dealings with unions. It will be preferable if employers showed sufficient interest in the development of the trade unions in this country".

**Strikes.**- During the year 14 cases of strikes and lockouts in trade or industry other than on estates were reported as against 13 cases during the previous year. The chief factor leading to strikes in most cases was the demand for increased wages to meet the rising cost of living occasioned by war conditions. Some difficulty also arose as a result of food rationing and the lack of rice in local markets.

**Harbour Labour.**- On November 29, 1941, the various categories of work performed at the Colombo harbour were declared by order to be "essential work" within the meaning of Regulation 43B of the Defence (Miscellaneous) Regulations. This order, besides fixing the rates of remuneration for harbour workers also imposed an obligation on the workers to continue in employment. At the beginning of the year under reference, working conditions and wages were regulated under the provisions of this Order. A Port Controller was appointed on March 26, 1942 to deal with questions relating to the expeditious turn-round of ships, the quick discharge of cargo, &c., The following were some of the measures adopted to insure adequate supply of port labour :- (a) Every employer of labour in the harbour was made to register all his labourers to whom he was required to pay a standby wage of Re. 1 a day for days when he was not able to provide work. (b) Government registered all casual harbour labourers in a "reserve pool of labour". They could be allocated to any employer who required their services. A similar payment of a standby wage of Re. 1 was given to each labourer when there was no work available. (c) Special labour officers were appointed to investigate the grievances of harbour labourers and to be generally responsible for their welfare. (d) Arrangements were made for canteens where hot meals could be obtained, and also for places of rest. (e) All harbour labourers were to be given a free midday meal at the expense of the employer.

**"Essential Services" Prohibition of Strikes and Lockouts.**- In April 1942 the Governor declared, under the Defence Regulations, certain specified services to be "essential services". These included all services rendered by officers employed by the Crown, work in connection with the execution of contracts with Government departments, work done by those employed in hospitals, in lighting, water supply, drainage, conservancy and scavenging undertakings of local authorities, in

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restaurants and hotels, etc. In May, 1942, an order was published under the Defence Regulations prohibiting strikes and lockouts in "essential services". The order provides that where a trade dispute arises, it is the duty of the employer and workers forthwith to inform the Controller of Labour in writing and to give all particulars of the dispute. Either party may present a petition giving the facts of the dispute and praying for a settlement. The Controller, if he is satisfied that the dispute is a trade dispute as defined in the order, will forward the petition to the District Judge of the district for adjudication. There is also provision for the appointment of a special tribunal where necessary. The award of the District Judge is final and binding on the parties. The order also provides that no employer in an essential service in the district shall employ any worker on terms and conditions of employment less favourable than the terms set out in an award by the District Judge or in the absence of any such award, in any agreement reached between the parties to a trade dispute or the terms on which a worker is ordinarily employed in the district.

Safety of Workers in Mines and Factories.- According to the reports received from the various Revenue Officers, there were at the beginning of the year 1,685 factories in the Island. During the year 118 factories were registered and 68 were closed down, leaving at the end of the year 1,701 factories as duly licensed. 7 factories inspected during the year were reported unsafe. 22 accidents were reported in factories during 1942, as against 10 in 1941. As a result of these accidents, 10 persons were killed and 19 persons were injured.

At the beginning of 1942 there were 859 registered mines. 891 new mines were registered during the year and 1,256 mines were closed down. The total number of mines at the end of the year was 493. 387 mines were inspected and three were found to be unsafe. 15 serious accidents were reported in which 6 persons were killed and 10 injured. In the previous year 16 persons were reported as killed and 17 injured as the result of accidents in mines. 108 persons were prosecuted during the year for various offences under the Ordinance and 63 were convicted.

The Factories Ordinance (No. 45 of 1942) was passed by the State Council on October 1, 1942, and when it is proclaimed it will replace the Mines and Machinery Ordinance so far as it relates to factories.

Unemployment.- Relief work for the Colombo "unemployed" was continued during the year under review. Three of the major relief schemes were together providing work for 1,873 workers. By the end of September, all work on relief schemes came to a close as every able-bodied relief worker who showed willingness to take up suitable employment was found work. The majority of the old and infirm persons or whom normal employment could not be found were given monthly charitable allowances, those resident within Colombo Municipality limits being assisted by the Public Assistance Committee under the Poor Law Ordinance. The greater portion of the unemployed who were in relief works at the commencement of the year was found work under Government departments. A sum of Rs. 1,000,000 was provided in the Estimates of 1941-42 for special unemployment relief measures as may from time to time be approved by the Board of Ministers on the recommendation of the Standing Sub-Committee on unemployment. Allocations from this provision were given to various Revenue Officers for the payment of transport expenses of unemployed persons who were sent for work in

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various schemes.

Unemployment during the year was negligible. There was actually a shortage of labour on estates, for Service works and for Food Production schemes. The problem of the equitable distribution of the available labour resources of the Island between competing needs, the report points out, is found to be a difficult one and has to be settled at an early date with the co-operation of all employers. 'A survey of the man power available is a necessary preliminary for the equitable distribution of all available labour. A census of available labour is essential as the lack of reliable statistical data in this direction has been a great hindrance for the preparation of schemes for the labour resources of the Island to be fully mobilised. This lack of statistical data has also hindered the preparation of suitable employment schemes'.

Employment of Indigenous Labour.-- At the end of 1942 the number of non-Indian labourers employed on estates was 119,755 of which 51,544 were resident on the estates.

Working of the Colombo Employment Exchange.-- The number of unemployed registered at the Colombo Employment Exchange during the year was 5,375 consisting of 82 professional and technical men, 1,902 clerical workers, 1,453 skilled workers, 642 semi-skilled workers and 1,296 unskilled workers. Of the 5,375 unemployed, 195 were women; as against the 1,185 women among the 5,711 unemployed in 1941.

The total number placed in employment during the year was 8,129 compared to 9,071 placed during 1941.

Administration of the Shops Ordinance.-- The Ordinance had been in operation since 1941 and general closing hours were fixed for the shops in Colombo, Kandy and Galle. The Ordinance has given better working conditions to shop assistants and they are actually in enjoyment of most of the benefits provided for by the Ordinance. The lack of an adequate inspectorate has however stood in the way of the enforcement of the health provisions of the Ordinance. Suggestions have been made for the enforcement of the Ordinance, especially the health provisions, by local authorities but no satisfactory arrangements have been made. Owing to exigencies of the war and the consequent dislocation of business, certain practical modifications were made during the year in the working of the Closing Orders. Proposals for amendments to the Ordinance, resulting from the experience gained in the past in the enforcement of the Ordinance and the Closing Orders were placed before the Executive Committee for Labour, Industry and Commerce. These amendments will facilitate the working of the Ordinance and the detection of the infringements. 2,324 shops in Colombo and 37 shops in Galle have been inspected during the year.

Maternity Benefits.-- The Maternity Benefits Ordinance, No.32 of 1939, which came into operation on July 28, 1941, prohibits the employment of a woman worker at any time during the period of four weeks following her confinement and requires the employer to pay her maternity benefits at the rate of 50 cents a day during a maximum period of two weeks immediately preceding her confinement and for the entire period of four weeks following her confinement. The Ordinance applies to workers in shops, mines, factories and estates. During the year under review further steps were taken to make the law universally effective. Tea and rubber estates which have long been subject

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inspection, presented little difficulty and it was in most cases sufficient to bring to the notice of estate employers and superintendents their obligations under the Ordinance. Instances of ~~violations~~ violations were comparatively few and were in many cases due to incorrect interpretations placed on the law. The defects were remedied immediately as the position was explained to them. In regard to other establishments not used to inspection, a drive had to be undertaken and a large number of inspections were carried out during which the rights and obligations of both employers and workers were explained to them. Women workers were informed of the benefits they were entitled to and the procedure they should adopt to claim them. In many cases subsequent inspections of the same establishments revealed that the law was being followed.

### Indian Immigrant Labour.

Migration Statistics.— The salient point of interest during the year was the decision made by the Government of India to relax the ban on emigration and to remove the restrictions imposed by the ban on the migration of unskilled labour between Indian and Ceylon on those resident in the Island up to and including August 31, 1942. From September 1, 1942, unskilled labourers in Ceylon became free to visit their villages in India and return at will. But the restrictions imposed by the ban continued throughout the year to apply to all unskilled labourers who had not left Ceylon for India prior to September 1, 1942, and special exemption had to be sought for all such persons applying for permission to migrate. Towards the end of the year, the Government of India also decided to exempt from the operation of the ban wives and minor children of unskilled labourers in Ceylon.

The mean Indian labour population on estates, which was 673,000 in 1941, fell in 1942 to 673,000. The population at the beginning of 1942 was 669,262 (201,016 men, 195,333 women, and 272,913 children). It fell in the middle of the year to 669,255 (201,976 men, 194,822 women, and 272,557 children), but then rose again to 680,487 (203,824 men, 197,833 women, and 278,830 children) at the end of the year. The estates, therefore, recorded a net increase of 11,225 Indian labourers during the year.

Wages.— The outbreak of war with Japan and the fall of Malaya, Singapore and Burma had their repercussions on Ceylon. The resultant shortage of foodstuffs and other ~~essential~~ consumable commodities brought about ~~an~~ an upward gradient in prices and consequently a rise in the cost of living index number. The planter members of the Board of Indian Immigrant Labour, therefore decided that from January, 1942, dearness allowance should be paid to estate labourers in the ratio of 5: 4: 3 for men, women and children respectively. This was to be based on the average of the index numbers for the months of October, November and December, 1941, and the rates fixed were 5 cents for men, 4 cents for women and 3 cents for children payable in all the 3 planting districts.

The scales of minimum wages were also revised. In March 1942, at the recommendation of the Estate Wages Boards, the Board of Indian Immigrant Labour decided on the following basic minimum wages :

	Up-country. Cents.	Mid-country. Cents.	Low-country. Cents.
Men .. ..	57	55	53
Women .. ..	46	44	43
Children .. ..	35	34	33.

The Board also decided that a dearness allowance varying with the cost of living index number should be paid in the proportion of 5:5:3 for men, women and children respectively. These decisions were eventually approved and the revised minimum wages came into operation from May 1, 1942. These rates of wages were fixed on the understanding that unless a system of rationing of rice under the Food Control Ordinance as in force at the time, clean unblended rice of good quality would be issued on all estates to which the rates were applicable to each working Indian estate labourer at a rate not exceeding Rs. 4.80 a bushel. Subsequent to the introduction of rice rationing, which was introduced in February, the ration was fixed at 8 measures per week for a labourer. Estate superintendents, however, supplemented the Government ration with additional issues of rice which they were advised to hold in reserve in anticipation of the introduction of rationing.

In view of the rapid rise in the cost of living, the War Council, on November 30, 1942, appointed a Committee to examine the whole question of the cost of living and the payment of dearness allowance to estate labourers and of the war bonus paid by Government. Pending the decisions of the Committee it was decided by the War Council that dearness allowance should be stabilised at the figure for October, 1942. The rates of dearness allowance paid in October, were 30 cents for men, 30 cents for women and 18 cents for children.

#### Demands of Ceylon Indian Congress.

At a meeting of the Committee of the Ceylon Indian Congress held at Matton during the last week of November 1943, resolutions were passed touching the new constitution for Ceylon now under consideration by the Ceylon Government.

By one resolution, the Committee pledged itself "to the principle of balanced representation in the State Council as a means of achieving communal harmony, for the purpose of paving the way for the formation of political parties on the basis of economic issues so as to achieve the goal of equalized distribution of wealth and a socialised form of economy of the country".

Another resolution, which was passed unanimously, expressed the view that any scheme of reforms, before it is presented to the Secretary of State for Colonies, should be discussed in the country and by the State Council with particular reference to the status of the country. In the scheme, the status of Indians and the solution of the minorities problem.

A third resolution, also passed, unanimously, reiterated the Congress demand for the recognition of the rights of Indians for full citizenship on the basis of a residence of five years.

( The Bombay Chronicle, 2-12-1943 ).



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Extension of Franchise to Indians  
in South Africa: Plea by South  
African Minister of Interior.

A strong plea for liberalising <sup>the</sup> franchise to Indians in the Dominions was put forth by Mr. Clarkson, Minister for Interior, Government of the Union of South Africa, at a meeting of the Natal Municipal Executive, held at Pietermaritzburg on 3-12-43.

Mr. Clarkson was of opinion that the question of Indian representation must be faced first in town councils, then in provincial councils and the Union Parliament. This was likely to lead to a great deal of controversy. Nevertheless, municipal franchise on communal basis had to be granted to Indians on property and educational qualifications. He added he could see no reason why communal franchise should not also be granted on property and educational qualification for provincial councils and the Union Parliament. He emphasised that the Indian population which equalled the European population in Natal could no longer be expected to remain voiceless in the control of municipal and State affairs. The necessary reforms could not be introduced immediately. He was only raising the matter since it was one to which earnest attention had to be given. The mistake the Natal Provincial Council made 20 years ago when it took away Indian franchise was that it did not allow an Indian to be a burgess on a communal basis. Instead of depriving him of municipal franchise.

He believed that except for two small minorities the Indian and European communities were anxious and willing to settle the question of residential occupation, which would lead to the easing of other problems. It was a South African problem and "we in South Africa have got to settle the question without interference from outside". Suggestions for repatriation of Indians to India were unworthy of serious consideration. The repatriation schemes were dead. Over 85 per cent. of the Indians in South Africa were South African born, and they would certainly not think of leaving Natal notwithstanding some disabilities they claimed they were suffering from. Government, therefore, had to recognise the fact that the Indian community formed an integral part of the Union and had to frame their plans on the assumption that it had an important role to play in the economic development of the country.

Mr. Clarkson hoped that the Natal municipalities would meet the Natal Indian Congress in a round table talk to see whether it was possible to get an agreement regarding the areas to be set aside either for Indian occupation or ~~as open areas~~ as open areas where Indians could purchase land without violating the provision of the "Pegging Act". He said that the vast majority of the Indian population of Natal were content and happy to be living in Natal. What they required was better housing facilities for which, he hoped, the municipalities would soon be providing.

( The Times of India, 6-12-1943 ).

The conciliatory tone expressed in Mr. Clarkson's statement is welcomed by the Indian press. The Hindu dated 10-12-43, in an editorial article points out: "Mr. Clarkson, Minister for the Interior in the South African Government, spoke wisely when he stated that franchise for the Indian community could not be indefinitely delayed. In the provinces of the Union, Indians have the right to vote only in the

municipal and provincial council of the Cape; they have never had the franchise in the Transvaal; in Natal they were deprived of the provincial franchise in 1897, of the borough franchise in 1924 and of the townships franchise in 1925 with the exception of those whose names were already on the rolls. But since the overwhelming majority of Indians in South Africa live in Natal Province (where they are nevertheless outnumbered by the Europeans) it is there that their need of political expression is most pressing. It is the absence of the vote that keeps them at the mercy of changing Governments, some of whom win cheap popularity by making scapegoats of the Indians and finding in them the source of all the racial difficulties that arise in the Union." Referring to Mr. Clarkson's statement to the effect that all repatriation schemes are dead, the paper says that this is in refreshing contrast to the suggestions made from certain other quarters. It continues: "While we are in full accord with Mr. Clarkson's statement that the time has come for the restoration of the vote to Indians in Natal, we do not share his view that it should be restricted only to those with special educational and property qualifications. It would only be too easy for the European to restrict the franchise by confining it to a few wealthy Indians of the professional classes. The economic and social level of the Indian settler to-day is not what it was fifty years ago. The community is, on the whole, an intelligent and progressive one and if it enjoyed further educational facilities, could quickly raise itself to even higher levels. The denial of such benefits, coupled with the absence of the vote, creates the suspicion that the white community are in fact deliberately preventing the Indian from ascending the social ladder."

The Times of India dated 7-12-43, referring to the same statement writes: "As Minister of the Interior, closely concerned with the problem of Indian residents in South Africa, Mr. Clarkson presumably speaks with official authority. In Indian eyes his plea for the bestowal of the franchise to Indians in town councils, provincial councils and the Union Parliament may appear here recognition of its justice long overdue. But the speech marked a distinct advance on the official attitude of the Union Government, and its conciliatory tone was in welcome contrast to recent fulminations. Mr. Clarkson's gesture seems to provide a basis for further negotiation, and we suggest that the Government of India and public opinion here should lose no time in seizing the opportunity."

#### Health and Housing Facilities of Indians in Natal: Commission of Inquiry Appointed.

A commission to inquire into and report on matters affecting the Indian community in Natal with special reference to housing, health, religious and recreational facilities, and also to make recommendations generally about the steps necessary to further implement within Natal the Cape Town Agreement of 1927 is to be appointed by the South African Government early in January, 1944. It is understood that the Chairman of the Commission is likely to be Mr. Justice P.M. Broome and the members will include two Indians, probably Mr. A.I. Rajee, Secretary of the South African Indian Congress, and Mr. J.W. Godfrey, President of the Natal Indian Congress.

( The Madras Times, dated  
30-12-1943 ).

AGRICULTURE.The Bengal Alienation of Agricultural  
Land (Temporary Provisions) Ordinance,  
1943 (Ordinance No.4 of 1943).

The Government of Bengal has gazetted on 24-12-43, the Bengal Alienation of Agricultural Land (Temporary Provisions) Ordinance, 1943, (Ordinance No.4 of 1943) to provide for the restoration to raiyas (cultivators) and under-raiyas of agricultural lands alienated by them during the year 1943 as a result of economic distress. Under the Ordinance a raiya who has sold or otherwise transferred any land during the calendar year 1943 for a consideration of Rs. 250 or less may apply to the Collector for restoration of the land on the ground that he was compelled to dispose of it to maintain his family during the period of the emergency. If the Collector is satisfied, after giving a hearing to the transferee, that the raiya disposed of his property with a view to maintaining himself, he shall order restoration on condition that the vendor shall refund the consideration money plus interest at 3-1/8 per cent, less net receipts from the property enjoyed by the transferee. The vendor shall also have the option of converting the transfer into a complete usufructuary mortgage for ten years or such other period as the circumstances of the case would justify. A time limit of two years is prescribed within which applications may be filed.

( The Calcutta Gazette, Extraordinary  
dated 24-12-1943, part I, pages  
221-224, and Times of India dated  
20-12-1943 ).

Grievances of Indian Seamen Under  
Government of India's Active Consi-  
deration: Secretary of State's  
Statement.

In written reply to a question asked in the House of Commons on 4-12-43 about the grievances formulated by the All-India Seamen's Centre, London against low wages and unfair conditions of employment, Mr. L.S. Kher, Secretary of State for India, stated that the grievances mentioned in the memorandum submitted by the Seamen's Centre was already under the active consideration of the Government of India. In the meanwhile, he said, steps had been taken, some time ago, to alter the methods of recruitment of seamen at Calcutta and to provide better facilities for their accommodation in Britain.

( The Hindu, dated 4-12-1943 ).

4th Annual General Meeting of Indian  
Merchant Navy Officers' Association,  
Bombay, 23-12-1943.

Resolutions, urging on the Government the appointment of a Maritime Board on the lines of the British National Maritime Board for investigating all disputes between seamen and shipping companies, and for bringing seamen and dockworkers within the purview of the Department of Labour of the Government of India, and legislation to modernise the Indian Merchant Shipping Act were passed at the fourth annual general meeting of the Indian Merchant Navy Officers' Association held on 23-12-1943 at Bombay, Miss Maniben Kara, presiding.

Resolutions were also passed, (a) welcoming the Bill for compulsory recognition of trade unions by employers, (b) demanding a comprehensive scheme of social security on the model of the Beveridge plan, (c) urging the Seindia Steam Navigation Co. to revise its scales of pay and conditions of work to bring them to the level of other Indian shipping companies, and (d) protesting against the disparity in scales of pay and conditions of work of Indians and Europeans in the British Seamen Navigation Company.

pointed out

Annual Report.- The annual report of the Association, that besides 100 per cent membership in Seindia Steam Navigation Company, the Association was spreading its influence in B.I.S.N., Asiatic, Nagai, R.I.N.R. and other Companies operating on the coast of India. The Association had also been able to secure to members satisfaction in respect of a number of demands on which representation was made to ship-owners.

Office-bearers for 1944 and 1945.- The meeting elected an Executive Committee with Mr. Jasmadas Mehta, N.L.A. (Central) as President, Miss Maniben Kara and Capt. R.R. Memery as Vice-Presidents, Mr. S.N. Bhambhani as Treasurer, Mr. D. Mangat as General Secretary, Mr. E. Sagar as Organising Secretary and twenty other members.

Change in Name of Association.- The meeting also decided unanimously to change the name of the Association to "The Maritime Union of India".

( The Vanguard, 28-12-1943 ).

Low wages and other Grievances of Indian Seamen: Conditions being inquired into by Government of India: Statement of Secretary of State in House of Commons .

In the House of Commons, on 16-12-43, Mr. Rhys Davies (Labour) drew the attention of Mr. L.S. Amery, Secretary of State for India, to the wide disparity between the wages and accommodation facilities available to Indian seamen employed on British-owned vessels and the wages and accommodation facilities available to British seamen. Mr Davies stated that the wages paid to Indian seamen were approximately only one fourth of the wages paid to British seamen on the same vessels and that the cubic space allowed for them was only a half of that allowed for British seamen.

In his reply, Mr. Amery pointed out that the allegation regarding wages was true only if the categories compared were the ordinary Indian seaman and the fully qualified and able European seaman or efficient skhand. The Indian was not able to do the same amount of work and were existed, accordingly, great disparity in the matters that had to be played for the same work. As regards accommodation, he said that the notice on ships built in recent times was to provide almost invariably a same amount of space to the Indian as to the European crews. He added, however, that the whole question of the conditions of employment of Indian seamen was under the active consideration of the Government of India.

Resolution of the International Seafarers' Conference.- The need for improving the conditions of Indian seamen was first considered at the International Seafarers' Conference held at London about the middle of December 1943. The Conference which was convened jointly by the International Mercantile Marine Officers Association and the International Transport Workers Federation, passed a resolution urging ship-owners and the Government of India to take immediate steps, in consultation with Indian Seamen's organisations, to better the existing conditions of Indian seamen. A deputation was appointed to interview ship-owners and the Indian authorities with the aim of reaching a satisfactory agreement amicably.

( The Hindu, dated ,  
17 and 18-12-1943 ).

11th Annual General Meeting of Employers' Federation of India Calcutta, 21-12-45.

The 11th Annual General Meeting of the Employers' Federation of India was held at Calcutta on 21-12-1943. Addressing in absentia the meeting, Sir Momi Mody (ex-Supply Member, Government of India), President of the Federation, dealt with social security, labour legislation and post-war reconstruction among other matters.

Social Security -- Referring to the question of social security, Mr. Head said a great deal of attention was being paid throughout the world today to the question of social security. Sir William Beveridge's "best-seller" had stimulated interest in the problem to a remarkable degree, and while its sweeping recommendations could not be expected to meet with universal acceptance, it would appear that Britain was committed to a vastly more ambitious programme in post-war years than had ever been conceived. It was obvious that a plan of these dimensions was thinkable in a predominantly agricultural country like India. In his talk in the ESC programme for the Far East, Sir William Beveridge had stated that he would introduce the principle of insurance as part of the development of Indian industry, as in his opinion, wage-earners could not be kept out of want merely by having good wages. In view of these considerations, the acceptance by employers in this country of the principle of sickness insurance assumed a particular significance. "We have definitely stated that if a satisfactory scheme is evolved providing for an equitable distribution between the State, the employers and the workers, in Britain, we are willing to shoulder our share of the burden."

Labour Legislation.-- Dealing with proposals for labour legislation "engaging public attention, he said : " I have repeatedly affirmed belief in the progressive amelioration of the lot of the worker and a diffusion of economic well-being among as large a mass of people as possible ....The employer who is out of tune with the humanitarian spirit of the age, or who refuses to adjust himself to the fast-changing conditions of the industrial world, is happily disappearing. At any rate, he other anachronisms, ~~unwieldy, antiquated, and out of place~~ he has a poor chance of survival. So far as the vast majority of industrialists are concerned, they are prepared to support, to the full extent of their capacity a policy aimed at a steady improvement of the lot of the worker, but they ask that before industry is securely established in this country, and before anything approaching stern standards of efficiency is achieved, they should not be called on bodily to adopt Western standards of legislation".

Post-war Reconstruction.— Comparing the progress made by other countries in drawing up post-war reconstruction plans with the progress this sphere made in India, Sir Hord said that, in common with other countries, the problem has engaged the attention of India, and an elaborate machinery has been set up to prepare a blueprint of post-war reconstruction. "It is a pity that a task which calls for a united and wholehearted effort should have to be undertaken in conditions of political insecurity and unrest such as are prevailing in the country today. Apart from such consideration, I cannot help feeling that the machinery which has been set up is cumbersome and slow-moving, and it may well be that the conclusion of hostilities may find us unprepared with any well-thought-out schemes for the employment of the men of our fighting services, and

the change-over of war industries to peace-time uses, to mention only a few of the many urgent problems which will face the country. For all that, it has been a matter of satisfaction that industrialists have not hesitated to extend ~~industri~~ their full co-operation to the Government in the task which they have undertaken".

Sir Hani said one of the prime needs of the country at the end of the war would be the provision of capital equipment, of which industry had been starved during the last few years. From all the indications, it would appear as if, with the return of peace, India would see a considerable movement under way for the expansion of her industrial capacity. "There are no two opinions in the country with regard to the necessity of such expansion, but I would like to utter a note of warning in this connexion. It is possible that, with the profits which have been made during the war, and the knowledge and experience ~~that~~ have been acquired of our main deficiencies, there may be a rush for expansion in every direction, with the resulting danger that hastily-~~conceived~~ ventures may be embarked on, or enterprises set up at inflated capital costs, such as would cripple their competitive capacity when normal times returned. We have had experience of this sort of thing in the past, and it is hoped that the lesson will not be forgotten in the general enthusiasm for the rapid industrialization of the country".

Office bearers for 1944.- Sir Hani Mody was re-elected President for 1944, and Sir Henry Richardson, Sir Robert ~~Wansley~~ Wansley and Dewan Bahadur Satyasabhapathy Madaliar Deputy Presidents.

( The Statesman, dated  
22-12-1943 ).

25th Annual Meeting of Associated  
Chambers of Commerce, Calcutta,  
20-12-1943.

The 25th Annual General meeting of the Associated Chambers of Commerce of India was held at Calcutta on 20-12-1943, Mr. J.H. Burder presiding. The meeting was formally opened by the new Vice-~~...~~ and Savell.

Presidential Address.- In his presidential address, Mr. Burder referred to the future of European and British interests in India, and to the Indian demand that these should be liquidated without delay. He would tell large Indian concerns that there was more than enough scope in furthering industrialisation for all, with all the accumulated wealth which was lying dormant, without buying up established concerns. Such was not the way of progress. "Until the day when India was united to govern ~~herself~~ herself", said Mr. Burder, "we must expect such opposition to our interests and press campaigns and criticisms in undue proportion. Nevertheless I feel we can look forward to the future with that confidence which flows from knowledge of past achievements, business ability and business integrity". Of the food situation, Mr. Burder said, the reports from Bengal districts were already brighter and they hoped that the returning confidence had come to stay. Measures that would bring the necessary confidence would be the end of administration influenced by political expediency, the determination of the Government to enforce its will, and control of crops as near the source as possible. He also stressed the need for Government encouraging cooperation from non-officials in matters like rationing and other war time measures. Mr. Burder



He urged the necessity for closer co-ordination of Government's requisitioning policy against the wider background of war and post-war economies. He further pleaded for the promptest possible settlement or negotiation of the principles governing the assessment of compensation or requisitioned property of all types and where those principles had been laid down for prompter payment in accordance with them.

Viceroy's Address.— The Viceroy, in his opening address, reviewed, the progress of the war and the main economic problems before the country; the salient features of the address are noticed below:

The Food Problem.— Briefly, the main elements in the situation are these: India as a whole is normally almost self-sufficient in the principal foodgrains. But the majority of Indians are certainly undernourished rather than over-nourished, so that there is no margin or possibility of lightening the belt in an emergency. Also the production of food in India is not evenly distributed, and the producers are mainly small men, working on a subsistence basis. The position was one which might easily be dislocated by an unexpected shock. The entry of Japan into the war and British reverses in Malaya and Burma, which brought the war to the borders of India, provided the shock. Anxiety about the outcome of the war, and the loss of rice imports from Burma caused the small farmer to hold more of his crop than usual, and the ordinary consumer to buy more than he really needed for immediate consumption. Lack of consumers' credit was a contributory factor to the tendency to hold on to food. In short, the first main cause was a widespread loss of confidence, which is natural enough, and in itself quite innocent. There was undoubtedly hoarding and speculation on a large scale. So that the second main factor was human greed. The third was the difficulty, in overcoming the tendency of each province, division or district to treat food as a local matter instead of as an All-India problem; in distributing food over vast distances; and in establishing control over prices. This was an immense problem of administration for which the additional resources required were not easily available. In Bengal, abnormal causes were aggravated by the natural disasters of cyclone and floods; by nearness to the war; by the poverty of communications; and by the sparseness of the administration due to the permanent land settlement. This disaster has struck those least able to bear it, and the principal sufferers have been the weakest—the children, the women, the old men.

The main remedies are: <sup>18</sup> to restore general confidence; to deal sternly with those who attempt to withhold food from the people for purposes of undue profit; and to arrange for equitable distribution over India of the available food at a reasonable price. The first thing to get clear about food is that it is not a provincial problem; it is an All-India, and even a world, problem. India must have the food she needs; and the other countries of the British Commonwealth, and the United States, are prepared to help her to import food to supplement her own production. But if by administrative negligence India asks for more help from abroad than she really needs, it is expecting other countries, whose people are already rationed and whose prices are properly controlled, to unnecessarily deny themselves unnecessarily, and to send ships which are urgently required for direct war purposes. It is India's main duty to set up an efficient Food Administration, more or less uniform throughout the country. If she fails to do so, it will increase distress in other countries and prolong the Eastern war. The policy accepted by the Central Government is that recommended by the Foodgrains Policy Committee of last summer. The object is to ensure that foodgrains are available in adequate quantities all over the country at prices which



ill give the producer a fair, even a generous profit, and at the same time, place food within the means of the poorest consumers. We must not aim to depress prices in favour of the town, so as to deprive the agriculturist, who is the backbone of India's economy, of a profit which will encourage him to grow the maximum amount of food crop; but he must not be greedy, or he will cause distress amongst his less fortunate brethren. The middleman is entitled to no more than a reasonable profit in the work; he is not allowed to make a fortune out of the cultivator's labour and the labourer's poverty. The key points in our plan are full rationing in the larger towns and control of prices both backed by adequate administrative arrangements.... You can control food prices only if every dealer from the village up to the main market and down again to the retail shopkeeper is subject to personal supervision and inspection, if the procurement operations of Government are rationally conducted and if movements are strictly regulated.

Urban Rationing.— There are criticisms that urban rationing is unnecessary and impossible in India. It is both very necessary and quite possible. In spite of all the difficulties of the past few months, provinces such as Madras and Bombay, and States such as Transvaal and Bechuanaland, have kept the situation under control by rationing and by control of prices. For these Provinces and States, which are in distress, stern necessity dictated these controls. In surplus Provinces, the controls are necessary to enable them to be as self-supporting as possible, and to stand the strain both of war and of the immediate post-war period when the world food situation is likely to be tighter even than now. And, the Punjab, the United Provinces, and the North-West Frontier Province have recognised the need and have practically subordinated their provincial interests to the interests of India. Actually, India's interests are their interests, since on this food problem we must stand or fall as a whole. Measures are being taken to introduce urban rationing all over India, and a system of price control uniform for groups of provinces. These measures will take a little time. He appealed for public cooperation and pointed out that "all people could be induced to realise that war shortages must be evenly distributed, and that those who think only of themselves and their profits are despicable and unpatriotic, they should make a great step forward". The Government of India has a food policy for India as a whole and if that policy can be carried out and necessary cooperation is forthcoming, the most drastic action will be taken in support of the policy.

Inflation and Food.— There is a great link between Indian India's inflation and the food problem. The inflationary problem is inescapable if solution of food is not subject to effective control, for food affects the whole price structure of our economy. The Central Government is determined to check the inflationary tendency by all means in its power. An increased supply of consumers' goods at controlled prices is a necessary factor in the fight against inflation. A start was made some months ago with cotton textiles and owing to the excellent cooperation between the industry and the Government of India, considerable success has been achieved. Medicines and drugs have now been taken in hand. There are many other things the Indian consumer is short of owing to war demands—such as woollen goods, foot-wear, and iron and steel for the village manufacture of agricultural implements. Of these and other goods every effort is being made to obtain an increased supply, by import or release from war purposes. Taxation, is another method of reducing the waist-line of inflation. It represents the compulsory absorption of financial adipose deposit. The voluntary method is increased saving, which is much to be recommended.

Coal Problem.— Shortage of coal is another problem which the Government is taking seriously in hand. Coal is the essential food of industry and of the whole war effort, and one cannot allow either to get from starvation or malnutrition in coal. Coal also is a world problem, and there again we are playing on a world stage. Our coal production may have an appreciable effect on the course of the war".

Post-war Reconstruction.— This is a very big subject and a very big one. The years after the war are going to be of immense import to the future. The dangers are obvious. There will be a period of reduction of the war effort, during which the fighting services will disband, industry will return to a peace footing, stocks of war material will be for disposal, and the various economic controls will gradually be removed. Unless these processes can be prepared and undertaken in an orderly manner, great confusion, or worse, may result. Then it seems a deliberate effort to restart the national life on a better and more efficient footing, to provide a standard of living which means, in which account has to be taken of the rapidly increasing population at the present rate of some four to five millions a year. Making this re-start India has very great advantages. Her natural resources are large. There will be plenty of labour available, and we will be a higher proportion of trained labour than before. In it, India's supply of labour will be almost inexhaustible, while the units of the war have proved that Indian labour, under training, rapidly turned a high degree of skill. India has many efficient men of business and wide experience. India will be a creditor country; she has suffered comparatively little in the war and there is a great sympathy and will to help towards home here, both in Great Britain and in America. There will be ample markets for her increased production, both at home and abroad. In fact, there is nothing to prevent India growing to be the largest and most highly developed nation in the East. If she can solve her internal problems and make a united contribution to peace and prosperity in the post-war world. The Government has in hand the preparation of plans to take advantage of India's opportunities in as great a measure as possible. In this the Government and industry must work very closely hand in hand. It is quite clear that development must be on Indian basis and by Indian methods. But it is also evident that we will require assistance and advice at the first to help her to realise the great possibilities that are here. While recently in Japan, I saw some of the leaders of British industry who are interested in India, and I found in them a spirit of most helpful cooperation towards India; there was certainly no desire to dominate themselves or control Indian industry, but a desire to help on a basis of mutual advantage. I am sure that a visit by some of the leading industrialists to the United Kingdom, in order to see the developments at hand arising during the war and to discuss India's problems which including British representatives would be of the greatest possible advantage, and I hope that it may be arranged. The sooner the better, since other nations are already beginning to think about their post-war needs and to place orders for machinery and material".

Development of Power Schemes.— In post-war industrial development, of the first necessities is to develop power schemes throughout the so as to provide the driving force for industries. In some instances, it may be possible to combine this with irrigation schemes for agriculture. Agriculture is India's main industry and is capable of very great development. The land can be made to yield more, the livestock can be improved, and the whole standard of the rural community raised. The development of industry and the improvement of agriculture

let go hand in hand in order to provide for India's growing population and to raise the standard of living. The problem of labour, is naturally linked with these developments. He did not desire to go into any detail into the relations between labour and industry, but pointed out that in this field much remained to be done.

Improvement of Social Services.-- The other great aim of post-war development is the improvement of the social services of which the principal ones are education, health and medical services and communications. These are mainly unproductive in the short-term sense, though to the nation, of course, all fully proved themselves essential. From the practical point of view the full realisation of a scheme such as that outlined in the Sargent Report must wait on many other developments. India at present has simply not the money for such a scheme. As the country acquires increased riches by industrial and agricultural progress, it can afford to spend largesums on education and health. From the practical point of view, whatever the theoretical advantages of a different course would be, he thought that the main social services must be developed in the following order; Communications, Health, Education. He put communications first since he does not see how it is possible to effect any great improvement in health or education in the villages of India until they can be reached surely and quickly at all times.

Political Deadlock.-- Regarding the present political deadlock, a Viceroy said: "I have said nothing of the constitutional or political problems of India, not because they are not constantly in my mind; not because I have not the fullest sympathy with the aspirations of India towards self-government; not because I consider political progress impossible during the course of the war--any more than I believe that at the end of the war will by itself provide an immediate solution of the deadlock--but because I do not believe that I can make their solution any easier by talking about them just at present. For the time being I must concentrate on the job of work we have to do: the winning of the war, the organisation of the economic home front, and the preparation for peace call for the use of all the resources India has in determination, energy, and intelligence. While I do not believe that political differences can be solved by administrative action, I believe that if we can co-operate now in the achievement of the great administrative aims which should be common to all parties when the country is in peril, we shall do much to produce conditions in which the solution of the political deadlock will be possible."

Resolutions.-- A summary of the more important resolutions adopted at the meeting is given below:

(1) Excess Profits Tax.-- One resolution urged the Government of India to give an assurance to industry that, on the termination of excess profits tax, all revenue expenses incurred or accrued in making or earning excess profits but not already included as a charge because of their indeterminate nature, will be allowed as a deduction in computing the final liability to excess profits tax; and that refunds of such tax in adjustment thereof will be made, should the tax have been removed. In support of the resolution, it was urged that it was imperative from India's point of view that no business which had prospects of contributing towards the country's post-war prosperity should be handicapped by excessive taxation, particularly in having paid taxes on profits which had been considered to be "in excess" but which, subsequently to the termination of excessive profits tax, could be proved to be accumulation

high must be expended in order to restore business to a state from which, under good management, it could reasonably be expected to continue to trade for the benefit of the country and proprietors. 30

(2) Food.- A resolution was adopted stressing the imperative necessity of making India self-supporting in the matter of food and recommending that all necessary steps for this purpose should be taken with the least possible delay and, in particular, steps be taken to discourage the export of manures (including all commodities of manurial value) and also to arrange for the expeditious import, both of fertilisers and of plant for the manufacture of fertilisers, on as large a scale as possible.

(3) Post-war Reconstruction.- One resolution urged that a programme of postwar reconstruction should cover the whole ~~maximisation~~ social and economic field, including measures necessary to raise agricultural production and a determined drive against illiteracy, poverty and disease, aiming at a substantial rise in the standard of living of the peoples of India and that such plans should include industrial expansion, at a socially desirable level. To further the programme, it was resolved to recommend to the Government the immediate appointment of a Committee composed of those qualified to plan such measures as are necessary and to remain in session until their work is concluded.

(4) Post-war Trade.- The resolution on post-war trade welcomed the arrangements for international co-operation in regard to currency and trade matters, and drew special attention to the comparative backwardness of India's economy and her low standard of living, and hoped therefore, that such arrangements as may be entered into on ~~the~~ behalf will not interfere with the orderly development of India's resources, both in men and materials, and in the consequent improvement in the standard of living. In the meantime, a comprehensive review of taxation, excise and tariff in India, in all its aspects, should be undertaken in the interests of ensuring a balanced development of India's economy on sound and secure foundations.

(5) War Risks Insurance.- In view of the substantial amounts standing to the credit of the War Risks (Factories) Insurance Fund and the War Risks (Goods) Insurance Fund and having regard to the all-round improvement in the war situation as a whole, one resolution recommended that the War Risks (Factories) Insurance Scheme be continued for a period of one year from April 1, 1944, at a rate of premium not exceeding one half of one per cent per annum and that with effect from the commencement of the next ensuing quarter, the rate of premium under the War Risks (Goods) Insurance Scheme be reduced to one-half anna per complete hundred rupees per month or part of a month. It was pointed out in moving the resolution that the actual receipts under the War Risks (Factories) Insurance Ordinance upto 31st March 1943 were approximately Rs. 90.8 millions and expenditure by way of remuneration to agents, inspecting staff and payment of liabilities, amounted to a little over Rs. 400,000. Out of this sum, however payment of liabilities under the scheme amounted only to Rs. 45,000, which showed how small had been the nature of the claims so far under the scheme. The budget estimates for the year 1943-44 for receipts expected under this scheme are about Rs. 70 millions so that the Fund would be at the end of March 1944 a credit of about Rs. 160 millions. The Fund, they believed, would be more than adequate to meet the claims which the improvement in the war situation led them to hope would be negligible.

(6) Import of Capital Goods.-- Adoption by Government of early steps to facilitate the import of capital goods and bullion was urged in a resolution. The resolution, while recognising the efficiency of the steps taken by the Government, urged the taking of early steps to facilitate the import of capital goods and bullion; and as a short term policy the export of consumption goods to meet the present deficiency.

( The Statesman and the  
Hindu, 21-K... and  
22-12-1943 ).

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Workers' Organisations:  
Annual Report, 1943-44

Trade Unions in the United Provinces in  
1941-42.

The following note on the working of the Indian Trade Unions Act, 1926, in the United Provinces during the year 1941-42 is based on a summary of the Annual Report on the working of the Act in the province during the year, published in the January-March, 1943, issue of the Labour Bulletin published by the Labour Department, U.P.

The year closed with 49 trade unions including one defederation, namely, Gorakhpur District Chini Mill Masdoor Federation. 5 new unions were brought on to the register while the registration certificates of 11 unions, including the federation, were cancelled for failure to submit annual returns required under section 28 of the Indian Trade Unions Act, 1926. Thus the number of unions at the end of the year was 43. Of these, 13 belong to Cawnpore, 7 to Gorakhpur, 6 to Lucknow, 4 to Saharanpur, 3 to Meerut, 2 each to Aligarh, Allahabad and Moradabad and the rest to Hardoi, Fyzabad, Bareilly and Mirzapur Districts. The total membership of registered trade unions in the province at the close of the year was 17,493, of which 17,244 were men and 249 women. The corresponding figures for the previous year were 18,045, 17,890 and 155. The increase in the number of women workers shows that they were taking increasing interest in trade unionism. The female membership was, however, confined to a few unions only. The percentage of female to male membership, however, increased from 0.9 to 1.5 per cent.

The financial condition of most of the unions remains unsatisfactory. There were only 16 unions which were free from debt and unpaid subscriptions.

Labour Demands Post-war Security:  
Resolutions of the Delhi Provincial  
Labour Conference.

A meeting of the Delhi Provincial Labour Conference was held under the auspices of the Indian Federation of Labour at New Delhi on 28-11-43. Dr. J.N. Mukherjee, president of the B.E. & C.I. Railway-men's Union, presided.

The Conference urged the provincial and central Governments to take necessary steps to ensure future employment to all workers in the country who have been working on the production front. It also urged the introduction of social security schemes like unemployment benefits, sickness insurance, etc., and the provision of better working and living conditions guaranteeing to workers an improved standard of living.

The meeting also urged the local Government to take note of the discussions that took place in the Tripartite Labour Conference (vide pages 4-10 of our August, 1943, report) regarding adequate labour representation in legislatures, local bodies and statutory committees and requested that at least four seats should be allotted to labour





overthrow of capitalism. This aim can be achieved only through a political party. Besides getting the economic demands of the workers granted, it is also the task of the trade unions to work for the social and spiritual uplift of the workers. For this purpose, trade unions should run recreational clubs for members, where, through libraries, games, readings, talks on current topics and contact, they can help to raise the cultural life of the members.

**Presidential Address.**— Mr. Jammadas Mehta, in the course of his presidential address, stressed the need for workers organising themselves into strong trade unions and into a political party. As regards the aim of the labour movement, he declared that workers "demand abolition of vested interests from every point of vantage. They want freedom to be based on the democratic foundation — greatest good for the greatest number". Denouncing profiteers and hoarders "who have played havoc with the poverty of our people", he stated that all the essential commodities foodgrains, cloth, vegetables and fuel "are controlled by these racketeers without let or hindrance, and the Government has remained an apolitical spectator of this wholesale loot and plunder of the working class". He pleaded for strengthening the Indian Federation of Labour and expressed the hope that the emancipation of the working class was bound to come and a world federation of democracies would be established.

The Conference was addressed also by Mr. M.N. Roy, the General Secretary of the Federation.

**Resolutions.**— (1) **Fundamental Principles of Indian Constitution.**— The resolution adopted by the annual conference declared that the Indian Working Class would come out as saviours of the Indian people by urging their interests with the general interest of the people of India. The resolution unanimously endorsed the 15 Fundamental Principles of the Constitution of Free India, formulated by the Radical Democratic Party, and demanded that the future constitution of India should be based on these principles of democratic freedom. The 15 Principles are :

- (1) the supreme sovereignty belongs to the people to be exercised through the direct control of the executive as well as the legislative functions of the State by the elected representatives of the people; (2) the Federal Democratic State of India is to be composed of a number of autonomous republics built on the basis of linguistic and cultural homogeneity as far as possible; (3) all the component parts of the Federation are to have a uniformly democratic constitution; (4) the land, as well as the under-ground riches are the collective property of the nation; (5) promotion of the productivity of labour through the introduction of modern mechanical means of production is the responsibility of the State; (6) heavy industries and banks are subject to State control; (7) cultivators are entitled to hold land, without any disability, subject to the payment of unitary land tax. Small agricultural producers are to be free from all other taxation except local rates; (8) promotion by the State of large-scale co-operative agriculture through the supply of modern machinery and cheap credit; (9) an irreducible standard of living for all labouring in fields, factories, mines, transport, offices and schools, to be guaranteed by a minimum scale of wages; (10) employment or relief as a right of citizenship; (11) nobody shall labour for more than six hours a day, for six days a week, and every worker shall be entitled to one month's leave with full pay every year, and women workers to three months' maternity leave; (12) free and compulsory secular education for all children upto the age of sixteen; (13) promotion of public health and sanitation is a charge of the State; (14) freedom of press, speech and association to be constitutionally guaranteed for all but the enemies of the people; (15) fullest freedom of religion and worship; (16) identi-



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rights and responsibilities of citizenship for men and women; (17) section for the rights of minorities through proportional representation on public bodies; and (18) complete cultural autonomy.

(2) Rationalisation of Industries.— Another resolution welcomed us for rationalisation of industries "as they are likely to increase productivity of labour, thereby improving the standard of living of working class and promoting economic progress of the country". "Rationalisation must, however", added the resolution, "include elimination of its wasteful industries". Rationalisation must be combined with shorter hours of work and a comprehensive plan for opening up new avenues of employment for workers so that the evils of unemployment and displacement of labour which accompany rationalisation may be eliminated. In the money of scarcity which prevails in India, with the bulk of the people living in conditions of semi-starvation and the internal market in the country severely restricted, no plan of industrialisation and of increasing employment of labour can evolve with any prospect of success. Industrial expansion of India, which must accompany the scheme of rationalisation, is dependant upon the expansion of the internal market of India eliminating exploitation of the peasant masses by landlords and money-lenders and by providing a rising standard of living to the working masses. Such transformation cannot be brought about if Government finances to be influenced by vested interests in the country. If the case of rationalisation is left in the hands of vested interests, it bound to result in largescale unemployment and more intensified exploitation of the working class. The Conference therefore condemned the policy of certain Provincial Governments in excluding representatives of labour from deliberations on rationalisation schemes.

The Conference set up a Committee consisting of S.G. Mitra, A.K. Harji and Prof. G.D. Farkh, (convener) to prepare a comprehensive plan of industrial expansion for opening up new avenues of employment for Indian labour, securing shorter hours of work and raising the standard of living of the entire people.

Post-war Planning.— A third resolution, calling on the working masses to strive for political power, expressed the apprehension of organised vested interests foisting a post-war plan of their own on the country, jeopardising labour's interest, and appointed a committee of us with V.M. Tarkunde, as convener, to prepare a labour's plan for post-war period. Stating that unemployment would be the main post-war problem, the resolution observed: "It is on the basis of gainful employment that the problem of social security can be solved and advancement of higher standard of living and better cultural life can be secured for workers and other exploited masses". An ever-growing and ever-more profitable employment cannot be secured for workers within the existing system of society where production takes place for profit. Apprehension of fall in profit is already persuading employers to raise the bogey of post-war slump and on that excuse, to refuse to expand, and, in many cases, even to cut down production. It is on this basis that vested interests are preparing their plans for post-war reconstruction. Such plans run counter to the interest of labour and they will also arrest progress of the entire human society. Labour must oppose all these plans and must prepare its own plan for post-war reconstruction and endeavour to secure for it the backing of the overwhelming majority of Indian people. The resolution also declares that the implementation of such a plan cannot take place unless labour has an effective voice in the Government of the country. The Conference therefore urged upon Indian labour the necessity of striving for the attainment of political

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er and re-affirming its resolve to help all such activities as would lead to that direction. The Conference deplored the fact that labour had no representation on the various committees set up by the Government of India and the Provincial Governments, except in the United Provinces, considering problems of post-war reconstruction, and emphatically demanded adequate representation of labour on all such committees.

Other Resolutions.— Other resolutions were adopted by the Conference welcoming the proposal of the British Trade Union Congress to organise a World Trade Union Conference in London in June 1944; (2) appointing a sub-committee to suggest amendments to the Trade Unions (Amendment) Bill introduced in the Central Assembly to secure recognition to trade unions (see pages 1-2 of our November 1943 report); (3) urging immediate increase in the representation of labour in the Central Legislature; (4) urging the principle of one union for each industry and urging constituent unions to conform to this pattern; (5) urging the Government of India to transfer questions affecting seamen, dock workers and other classes of labour, now dealt with by the Commerce Department, to the Labour Department; (6) urging effective representation of labour in the various legislative, executive, and administrative bodies, in consultative or advisory committees and bodies, and in local boards; (7) urging abolition of the system of contract labour; (8) urging the setting up of tripartite Wages Boards for all industries and all regions in the country; (9) urging the recognition by Government of the Indian Federation of Labour as the only All-India Organisation of Labour; (10) urging the early inauguration of a sickness insurance scheme; (11) deciding to open an office of the Indian Federation of Labour in London to give publicity in Great Britain to the problems of Indian workers; (12) deciding to resist any attempt made by the Government of India and employers to curtail the right of dearness allowance as a measure for checking inflation; and (13) emphasising the need for uniform labour conditions in British India, the Indian States and urging the Government to take measures to bring about such uniformity in the labour legislation of these two entities.

( Summarised from the text of the speeches and resolutions sent by the Secretary, The Indian Federation of Labour, New Delhi ).

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Office bearers.— The following have been elected office-bearers of the Federation for 1944 : President: Mr. Jannadas Mehta, M.L.A.; Vice-Presidents: Miss Maniben Kara and Messrs M.A. Khan, S.C. Nitha, Ab Ali, M.L.A. (Bengal) and S. Guruswami; General Secretary: Mr. M.N. ; Secretaries: Messrs A.K. Mukherjee and V.S. Mathur; Executive Committee members: Messrs V.B. Karnik, V.M. Tarkunde, A.M. Williams, Md. Hussain, K.K. Sinha, I.P. Tiwari, Sheopujan Singh, V.G. Karnik, . Khatib, W.G. Kulkarni, M.R. Shetty, G.V. Karlekar and Rajani herji.

( Vanguard, dated 4-1-1944 ).

Membership of the Federation.— The following passage in the presidential address of Mr. Jannadas Mehta, as regards the membership of the Indian Federation of Labour, is of interest: " The number of Unions which participated in the inauguration of this Federation was nearly hundred representing over 200,000 workers. We gathered support as we went along

and very soon outstripped the older organization both in the number of  
members affiliated to the Federation and in the strength of their member-  
ship. Industrial workers of all categories, textile - both cotton and  
wool, - railways, dockyards, seamen, tramwaymen, port trusts and other  
transport workers came within our fold. Engineering, municipal, iron  
and steel workers and labour in smaller industries are all adequately  
represented in the Federation. Today, after two years, we have a total  
strength of 250 unions and over 300,000 workers. We can claim without  
fear of challenge that we have the majority of organized labour affiliated  
to us.

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SOCIAL CONDITIONS.

More Liquor Shops to be opened in  
Nagpur: C.P. Government Grants  
Permission.

The Government of the Central Provinces has granted permission for opening two more country spirit shops, in addition to the existing six, in the city of Nagpur. The Government's press note explaining the reason for this step says that, with the increase of the population in the city and improvement in the economic condition of the consuming classes, consumption of liquor has increased to such an extent as to make it impossible to maintain decency and good order at the existing shops. It is added that the step was intended to break up the clique into whose hands the sale of liquor has fallen and to bring down prices by bringing about free competition in the trade. Referring to the suggestion that the Government should close all shops, the note says, that the extension of prohibition can be effected on any large scale only by a Government which has a clear mandate from the people and which will also impose taxation on a scale sufficient to close the gap in provincial finances which such extension must create.

Fear is expressed in the local Press that this step might be the main end of the process of abolishing prohibition altogether from the Province. ( Reference was made at Page 27 of our November, 1943, report on the suspension of prohibition in certain districts in the Madras Presidency ).

( The Hindu, dated 18-12-1943 ).

Bengal Scheme to Check Spread of  
Epidemics.

According to a press note dated 7-12-43 issued by the Government Bengal, the Government is putting into immediate effect a Rs. 6,700,000 plan for medical relief and the prevention of epidemics in the province. The main features are the opening of an additional treatment centre within a distance of four or five miles of every good dispensary in the province, the posting of additional civil surgeons to the badly affected districts, charged with the duty of organising emergency medical relief, the appointment of additional quinine distributing agents in the rural areas, the employment of about 1,500 extra personnel staff of the class sanitary inspectors, health assistants and medicine carriers, and the release of large extra quantities of quinine to replenish existing stocks. These measures, it is hoped, will provide sufficient facilities for the treatment of the thousands of patients now suffering from malaria and diseases induced by starvation, arrest the spread of cholera and dysentery and prevent the recent famine conditions from permanently impairing the health of the rising generation. For the prevention of epidemics, Government have sanctioned a scheme for doubling the ordinary health staff. Parties of these men will perform inoculations and vaccinations and the target for the next three or four months is to render between nine and ten millions of people immune from cholera and small-pox.

( The Times of India, dated,  
9-12-1943 ).

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EDUCATION.

Basic Education Board Set up  
in Bombay.

The Government of Bombay has constituted a board of persons with experience in education to advise Government on the experiment of basic education in the Province. The Adviser in charge of Education will be the Chairman of the Board. The members are the Director of Public Instruction, the Director of Agriculture, the Director of Industries, the Chairman of the Provincial Board of Primary Education, the Chairman of the Board of Secondary Education, the Special Officer for Basic Education and four other educationalists of repute who take special interest in the scheme. Of these four, at least one will be a woman. The term of the Board will be three years from January 1944. The Board will also Government on questions relating to the training of teachers and supervisors selected for basic schools, the location of basic schools and the crafts to be taught in them and on the courses of study.

( The Times of India, dated,  
7-12-1943 ).

Educational Commissioner's Scheme  
for National Education: Proposals  
Welcomed by Inter-University Board.

*To the Government of India*  
A comprehensive resolution on the memorandum submitted by Mr. John Sargent to the Government of India, on post-war development of education in India (vide pages 36-37 of our October 1943 report), was adopted by the Inter-University Board of India, at its session held at Madras (Decan) in the third week of December, 1943. The resolution, which warmly welcomes the system of national education set forth in Mr. Sargent's memorandum and recommends the adoption, as soon as possible, of the principle of compulsion for all boys and girls for a period of eight years from the age of five. The principle of teaching through crafts is also recognised by the resolution.

( The Hindu, dated 10-12-1943 ).

TABLE.

Average Annual Earnings of Wage Earners  
in the Permanent Factories during the  
years 1939 and 1940.

The following details regarding the relative wages of workers in the different groups of industries in India during 1939 and 1940 are based on a note on the subject published in the December 1945 issue of the Indian Labour Gazette.

According to the note, factories carrying out manufacturing processes of different kinds in the country may be classified into 9 main groups, namely: (1) Textiles (2) Engineering (3) Mineral and Metals (4) Food, Drink and Tobacco (5) Chemicals, Dyes, etc. (6) Paper and Printing (7) Wood, Stone and Glass (8) Cane and presses (9) Skins and Hides and (10) Miscellaneous. Of these all except those coming under groups (4) and (8) are mainly perennial, while in the latter 2 groups seasonal factories predominate. The figures quoted in the note are taken from the returns under the Payment of Wages Act compiled together for the different provinces. Such returns giving both the average daily number of workers and the total wages paid to them during each year are submitted by the different factories in each province. But the Act itself applies only to workers paid below Rs. 200 per mensem as wages, whether they are persons employed in any manufacturing process or any kind of work incidental to or connected with it, including also persons who are solely employed in a clerical capacity. The average wage of worker in each group of industry is calculated for the above class of wage earners.

The average annual wages of workers in each group of industries, during the years 1939 and 1940, are given in the following table :

Industry.	1939.		1940.	
	Average No. of workers.	Average wages in Rs.	Average No. of workers.	Average wages in Rs.
(1)	(2)	(3)	(4)	(5)
Textiles .....	7,957	235.5	8,509	302.9
Engineering.....	830	243.5	1,155	345.0
Minerals & Metals....	681	457.2	634	491.5
Chemicals & Dyes.....	584	244.2	560	229.5
Paper & Printing.....	527	338.7	532	352.3
Wood, Stone & Glass...	482	194.2	509	175.5
Hides & Skins.....	120	225.8	156	327.1
Ordnance.....	266	361.9	499	408.5
Canteens.....	18	367.4	32	462.7
Miscellaneous.....	205	281.2	237	261.0
Total...	11,714	297.5	12,861	307.7

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(Note:- The sub groups Food, Drink and Tobacco; and Cane and resses are not included in this study as factories coming under them are mainly seasonal. Under Engineering, the Railway Workers are excluded because the Payment of Wages Act returns are for factories other than those on railways. Mints and ordnance factories are shown as separate sub-groups).

From this table, it will be found that in 1939, the annual average wage of worker (in all industries put together) was Rs. 286.3, and it increased to Rs. 320.2 in 1940. This increase is reflected in all groups except chemicals and dyes, etc., and miscellaneous. The order of importance of the groups, according to the amount of average wage, remained almost the same, excepting the engineering group which moved up to the fourth place in 1940 compared with eighth in 1939, and textiles group which came down from fifth to seventh. The first place was occupied by minerals and metals and next in order came mints and ordnance factories respectively. Paper and printing occupied the sixth place in both years, while chemicals and dyes maintained the last place. Explaining the disparity between the average wages in the different industrial groups, we note points out that a higher proportion of skilled workers are required in the steel factories, mints and ordnance factories. In printing presses, which predominate in that group, a large number of literate people are required as compositors, etc. Consequently the average wage in these groups of industries is higher. In England also the average wages paid to males (21 years and over) are highest in these industries. But whereas wages in engineering and chemical industries occupy a high place in England and other highly industrialised countries, they occupy almost the bottom. This again is due to the difference in the quality of work required in the two sets of countries. In the highly industrialised countries, for the automobile, numerous aeroplanes, shipbuilding and other industries highly skilled workers are required; this may account for the average wages paid in these industries being higher, and the same reasons would apply for the higher average wages in the chemical industry also. In India excluding railway workshops, the engineering factories are mainly workshops maintained for the upkeep of tramways, telegraphs, motor transport, steam-board shipping, etc., and electrical engineering and generating works. The chief factories in the chemical groups are match factories, oil mills, dyeing and bleaching factories, etc. For these simple types of work, highly skilled and technical workers are not needed and hence the average wages are low.

The rate of increase is highest in mints, where the average wage per worker increased by nearly 26 per cent. Next in order come ordnance factories and factories coming under the groups: hides and skins, paper and printing and minerals and metals. A part of the high increase in average wages in the engineering group is accounted for by the fact that in 1939, data for the Province of Bombay in this group was incomplete and consequently omitted.

( Indian Labour Gazette, December 1943 ).



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Regulation of Bonus, Dearness  
Allowance, and Commission ;  
Government of India's Draft  
Notification.

Under the provisions of the Excess Profits Tax Act, 1942, (vide page 40 of our April, 1940, report) the Government of India has setted a set of draft rules for regulating the allowances granted to employers in respect of dearness allowance, bonus and commission.

The draft rules provide that, in applying the provisions of the Excess Profits Tax Act to the computation of the profit of any chargeable accounting period, the sum to be allowed in respect of any bonus (other than dearness allowance), paid after 30-11-43 to any manual wage-earner, shall not exceed one-quarter of the wages for the period in respect of which the bonus is paid.

It also lays down that the amount allowed in respect of dearness allowance to any employee after 30-11-43—(1) In cases where the salary or wages are Rs. 25 or less, shall not exceed a sum which, added to the salary or wages, bears to the salary or wages the same proportion as the current cost of living bears to that in 1939 : (2) In respect of salary or wages ranging between Rs. 25 and 60, shall not exceed 175 per cent of the sum applicable to clause (1) above; and (3) in respect of salary or wages above Rs. 60, shall not be such that the salary or wages plus dearness allowance exceeds Rs. 300. The cash value of the supply by an employer of food-stuff, etc., at cheap rates are to be treated as part of the dearness allowance.

The draft rules further stipulate that as from 31-12-1942 bonuses and commission, exclusive of dearness allowance, to non-wage-earners shall be deemed to be unreasonable if and to the extent to which they exceed—(1) In the case of a business the standard profits at which are computed by reference to the profits of a standard period—twice the sum that bears to the amount of such payments in the standard period the same proportion that the length of the chargeable accounting period bears to the length of the standard period, or (b) one per cent of the amount of the profits of the chargeable accounting period as computed for the purpose of assessment to excess profits tax, whichever is the greater; and (2) in the case of any other business, one per cent of the amount of the profits of the chargeable accounting period as computed for the purposes of assessment to excess profits tax.

Provision is also made for the computation of trading stocks, or stocks of raw materials in relation to capital as from 31-12-1942.

( The Times of India, dated,  
9-12-1943 ).

Ahmedabad Millowners suspend payment  
of Dearness Allowance: Labour spokesman's  
Statement.

The Ahmedabad Millowners' Association has issued a circular to all member millowners suspending the payment of dearness allowances payable to the workers on 15-12-43, in view of the Government of India's proposals to limit the amount paid as bonus and dearness allowance, in so far as

ch amount is reckoned for the purpose of computing Excess Profits Tax.

An emergent meeting of the Representative Board of the Ahmedabad textile Labour Association held in the city on 16-12-1943 has passed a resolution protesting against the measure contemplated by the Government of India and stating that "it will have very serious repercussions on industry".

In a statement issued in this connection, Mr. Khandabhai Desai, M.L.A. (Bombay), Secretary of the Association, urged both employers and Government to desist from taking the measure contemplated and advised the public to remain calm and not to take any precipitous action which might harm their interests.

Inadequate Dearness Allowance.— He pointed out that the cost of living in Ahmedabad had gone up by 225 per cent above the pre-war cost, while in the city of Bombay the increase was only by about 100 per cent. As a result of the rising cost of living, real wages had gone down considerably everywhere and even the highest rate of dearness allowance granted was not in adequate proportion to the rise in the cost of living.

Industry's Profits.— As against this, he estimated that even after paying dearness allowance and bonus to workers, the textile industry was likely to make gross profit of about Rs. 600 million during the current year; whereas the profits during pre-war years were only about Rs. 50 million on a total sale value of cloth worth about Rs. 600 million. Government's income from the textile industry alone by way of income tax, super tax and excess profits tax, he said, is about Rs. 450 million, an amount nearly equal to the Government's military expenditure during the war years.

Flax for Fairness to Wage Earners.— The Government itself was responsible for the higher cost of living for which the workers were getting dearness allowance. As long as the cost of living index does not fall, the wage-earner would be entitled to receive whatever dearness allowance he had obtained by trade union action and it was improper for the Government to interfere directly or indirectly in restricting the quantum of dearness allowance.

( The Times of India dated 22nd Dec 1943 and the Bombay Chronicle, dated 20-12-1943 ).

#### Calcutta Businessmen's Apprehensions.

In a joint telegram addressed to the Finance Department, Government of India, the Bengal National Chamber and the Bengal Millowners' Association urge Government to drop their proposal for amending the Excess Profits Tax Rules limiting payment of bonuses, commission and dearness allowance, etc. They apprehend that such restrictions, apart from having serious repercussion on industries, are likely to cause grave dissatisfaction amongst workers, which may lead to serious labour trouble and impede production. They also feel that any shortage in production would put consumers to great hardship and would also defeat Government's policy to make more consumers' goods available to the civilian population.

( The Hindustan Times, dated 23-12-1943 ).

## Emergency Government Pensioners.

In order to afford to lower-paid pensioners some measure of relief account of the increased cost of living due to the war, the Government have sanctioned a temporary increase, to all such pensioners, one drawing pensions below Rs. 20 a month will receive an addition of . 3, and those drawing more than Rs. 20 but not more than Rs. 40 are given an increase of Rs. 4. Pension, for this purpose will include the rented portion also, if any. Pensioners receiving more than Rs. 40 a month but not more than Rs. 44 will be given an increase to make their total pension Rs. 44 a month. This increase will be in operation for 1st, from November 1943.

( The Times of India, dated  
25-12-1943 ).

## Dearness Allowance to Lower-Paid V.P. Government Pensioners.

The Government of the United Provinces has sanctioned a temporary allowance to its lower paid pensioners from December, 1943, to March, 1944. The scales are Rs. 3 per mensem for pensioners getting upto Rs. 20 per mensem and Rs. 4 for those getting more than Rs. 20 but not more than . 40.

( The Hindustan Times, Dated  
19-12-1943 ).

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Dearness Allowance to Lower-Paid  
Madras Government Pensioners.

It is understood that the Madras Government will sanction, for a period of one year in the first instance, a dearness allowance of Rs. 3 for pensioners receiving pensions amounting to Rs. 20 and less than Rs. 40 and those receiving between Rs. 20 and Rs. 40.

( The Hindu, dated 16-12-45 ).

Dearness Allowance to Lower-Paid  
Central Government Pensioners.

The Government of India has decided to grant a temporary allowance to lower-paid pensioners. The rates are Rs. 3 per annum for pensions exceeding Rs. 20 per month and Rs. 4 for pensions exceeding Rs. 20 but not exceeding Rs. 40. Pensions for this purpose shall include the unvested portion also, if any. Persons in receipt of pensions higher than Rs. 40 but not higher than Rs. 44 per annum shall receive such an amount as would bring the total pension to Rs. 44 per annum. This increase will have effect from November 1, 1945, i.e. on the pensions in force in December 1945, and will be in operation for one year.

( The Hindustan Times, dated  
25-12-1945 ).

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Agricultural Labour to be paid  
partly in kind: C.P. Price Ad-  
visory Committee's Decision .

At a meeting of the Price Advisory Committee, Central Provinces, held at Nagpur on 11-12-1943, a resolution was passed to the effect that payment of wages to agricultural labour may be made partly in kind. It was suggested that such payment should be limited to only half the amount of the wages, as otherwise it might cause hardship to both labourers and employers. The Committee also decided to fix the wages of agricultural labourers at three times their wages in 1939.

( The Hindustan Times, dated  
18-12-1943 ).

*and other Conditions*

Wages of Bengal Tea-Estate Workers:  
Rates fixed by Government.

In exercise of the powers conferred by clause (b) of sub-rule (1) rule 81A of the Defence of India Rules, the Government of Bengal has issued on 16-12-43 an order laying down the terms of settlement of the wage dispute that has been going on between the managements of certain tea-estates in the province and the workers. Under the order, the employers are to observe the following conditions of employment:

(1) The wages for tea leaf plucking shall be paid at the rate of one anna for four pounds of tea leaf plucked excluding the weight of the basket. The weight of the basket and the number of pounds of tea leaf plucked shall be announced to all pluckers every day during weighing;

(2) The wages for light hoeing shall be at the rate of one anna for five <sup>halls</sup> and for deep hoeing at one anna for two and a half <sup>halls</sup> ~~annas~~;

(3) The wages for jungle cutting shall be at the rate of one anna for four <sup>halls</sup> ~~annas~~;

(4) In respect of factory work, the minimum wages for each working day for a child shall be annas six, for a female adult, annas eight, and for a male adult, annas ten;

(5) Carters of firewood shall be paid at the rate of annas eleven for each full day's work;

(6) Cowherds shall be engaged by the employers for the purpose of looking after the cows on the tea estate;

(7) Every employee certified as sick by the doctor of the tea estate shall be paid at the rate of annas eight per day;

(8) An adequate supply of medicines shall be stored in a properly furnished hospital established for the purpose of serving all the tea estates and such hospital shall have free beds for the workmen and there shall be a qualified medical officer in charge of the hospital for the purpose of prescribing and supplying medicines to the inhabitants of the tea garden coolie lines. The medicines shall be supplied free of cost;

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(9) The following essential commodities shall be supplied to the employees at controlled rates:-

(a) Rice and Atta (wheat flour)—Seven seers (1 seer—about 2 pounds) per employee per week,

(b) Dal (pulses)—Two seers per employee per week,

(c) Mustard oil—Half seer per employee per week,

(d) Salt—One seer per employee per week,

(e) Kerosene oil—22 ozs. per family of employees per week;

(10) Maternity benefit shall be granted to female employees for the period of one month before and one month after child birth at the rate annas eight per day and leave for this period shall also be granted. Medicines shall also be supplied during the period as laid down above;

(11) Relief kitchens shall be started at once for the relief of those employees who are not getting any income either as wages or allowance from an estate;

(12) Uncultivated land of the estates shall be rented in equal areas among the landless employees' families at a nominal rent of one pice per year per kani.

The order will remain in force for a period of four months from 1-12-43 and will continue to be in force after that period unless notice of any alteration of its terms has been given either by the employers or by the workers to the Provincial Government not less than twenty days before the date of expiry of the period, and considered and agreed to by the Provincial Government.

( Order No. 4125 Com.—dated 16-12-43,  
The Calcutta Gazette, dated  
23-12-43, Part I, page 1797 ).

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Industrial Disputes.

Adjudication of Trade Disputes under Rule  
81-A: Central Government assumes powers  
to specify Issues.

The Government of India has, under the Defence of India Act, notified on 11-12-43 certain amendments to Rule 81-A of the Defence India Rules. The amendments are :

(1) In clause (b) of sub-rule (1), (vide page 30 of our May, 1942 part) after the word "employers", the words "workmen or union" shall be inserted.

(2) In clause (d) of sub-rule (1), after the words "in the order" the following shall be inserted, namely, "all or any of".

(3) After sub-rule (3), (vide pages 14-16 of our January, 1942 report) the following sub-rule shall be inserted, namely :-

"(3A). An order made under sub-rule (1) referring a trade dispute for adjudication shall specify as far as may be practicable the matters on which adjudication is necessary or desirable :

Provided that—

(i) the Central Government may of its own motion, or at the instance of any adjudicating authority, add to, amend or vary the matters so specified ;

(ii) the Central Government may, with a view to specify the said matters direct the adjudicating authority to make a preliminary inquiry into the nature of the dispute, and postpone specification for such time as may be reasonably required".

( Notification No. S-BC(8)/43,  
The Gazette of India dated 11-12-43,  
part I, section - 1, page 1327 ).

By a second notification (No.L.R.15 dated 11-12-43), the Government of India has directed that the powers conferred and the duties imposed on the Central Government by sub-rule (3A) of rule 81A of the Defence India Rules (noted above) shall be exercised or discharged, as the case may be, also by the Provincial Governments and the Chief Commissioners of Delhi, Ajmer-Merwara, Coorg and Panch Piploda.

(Notification No. L.R. 15 dated  
11-12-43, the Gazette of India,  
dated 11-12-43, part I, section-1,  
page 1336 ).

By a third notification No. L.R. 16(1) dated 11-12-43, the Government of India has directed that in clause (iii) of the order dated 1-8-42 of the Department of Labour, Government of India, (vide page 29 of our August, 1942 report) for the words "When any trade dispute has been referred to a Court of Inquiry", the words "When any or all of the matters of a trade dispute have been referred to a Court of Inquiry" shall be substituted.

(Notification No. L.R. 16(1) dated  
11-12-43, the Gazette of India  
dated 11-12-1943, part I, section-1,  
page 1336 ).

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A press note issued by the Government along with the Notifications, explains the notifications as follows :-

Trade disputes referred for adjudication under Rule 81-A of the Defence of India Rules will hereafter be specified in detail instead of being left vague. The Rule has been amended to provide for proper framing of the order referring a trade dispute for adjudication. A notification in the "Gazette of India" says that the order referring trade dispute for adjudication "shall specify, as far as may be practicable, the matter upon which adjudication is necessary or desirable". Another amendment to Rule 81-A now empowers the Government to enforce all or any of the decisions of the adjudicator. There was previously no provision for the partial enforcement of the decision. The clause empowering the Government to prescribe, under certain circumstances, the terms and conditions of employment has also been amended so as to make it binding equally on workers as well as on employers.

( The Hindustan Times, dated  
11-12-1943 ).

Compensation for War Injuries.

The War Injuries Compensation Insurance Scheme.

The Government of India has gazetted on 18-12-43 the War Injuries Compensation Insurance Scheme under the War Injuries (Compensation Insurance) Act, 1943, which came into force on 18-11-43, (vide page 52 of our November, 1943, report). Under the Scheme the first premium payable by employers has been fixed at annas four per Rs. 100 of their wage bill. Every employer, other than a contractor, whose contract is less than a month's duration, to whom the Act applies, is required to take out a policy of insurance from the Central Government. This policy will insure him until the termination of the present hostilities or until the date he ceases to be an employer if that date is earlier. The provisions of compulsory insurance are not binding on the Crown or any Federal railway, unless the Central Government orders otherwise. Insurance business under the Act is prohibited otherwise than by authorised agents.

( The Gazette of India dated  
18-12-43, part I, section 1,  
pages 1359-1372, and Hindustan  
Times dated 19-12-1943 ).



## Employment.

### Formation of Technical Unit of Civil Pioneer Force.

Reference was made at page 32 of our December 1942 report to the decision of the Government of India to form a Technical Unit of the Indian Civil Pioneer Force composed of trained technicians. The suggestion that the Government should maintain a corps of skilled workmen was made by the new American Technical Mission which visited India in 1942. The idea is pursued and today in specially selected training centres there are a few hundred men receiving training till such time as they are required to go to ordnance or factories doing important work.

The decision to form such a corps, which is known as the Civil Pioneer Force, 1st Central (Technical) Unit, was taken in March 1943. Recruitment to the Unit is from amongst trainees who have completed air training under the Technical Training Scheme. Preliminary selection is in the hands of Chairmen of National Service Labour Tribunals in different provinces. The Unit consists of fitters, turners, machinists, carpenters, electricians and blacksmiths, and it is proposed to add to these in the near future, engine drivers, moulders, patternmakers and leaders. All craftsmen pioneers are expected to pass the 2nd grade tests in the trade to which they belonged at the time of enrolment and thereafter to take and pass the 3rd grade test in an allied trade, e.g., fitters to be trained as turners, machinists, electricians or engine drivers and vice versa. Carpenters will be trained as patternmakers or moulders and vice versa and blacksmiths as welders and welders as blacksmiths. In the near future, it is hoped that to double the strength of the Unit. For purposes of discipline, accommodation, rationing and eating, uniforms, squad drill and physical training, etc., the Unit is governed by the same rules and orders as are applicable to the ordinary Units of the Civil Pioneer Force. So far, no need has arisen to send out Craftsmen Pioneers for actual work in factories but when it does arise, there will be at hand a number of well-disciplined and efficient workmen who can be sent in organised parties to work where required.

( The Indian Labour Gazette,  
December, 1943 ).

### Workers in Mills closed for Reasons beyond Control of Employers: No right for compensation when alter- native employment is offered.

A communique issued by the Government of Bengal early in the second week of December 1943 states that it has been brought to the notice of the Government that workers employed in certain jute mills which have been closed for reasons beyond control of their employers are refusing to work in other jute mills where employment is offered to them, and are, instead, asking for compensation for loss of employment in the mills closed. As regards compensation, Government emphasizes that no claim for compensation arises when employment is offered to workers in other mills. Government feels that this is the best arrangement possible under the circumstances, and as such urges workers to accept the employment which is offered to them without further delay.

( The Hindustan Times 13-12-43 ).

Labour Welfare Measures in Coal  
Mines: Fact Finding Committee  
Appointed by Government of  
India.

Labour in coal mines is primarily agricultural. This year more labour than usual was drawn to agriculture in the sowing season owing partly to the 'Grow More Food' campaign. Now ~~attains~~ with the successful harvest and to some extent shortage of food supplies at the coalfields, labour is not returning to mines in sufficient numbers. The labour supply has also been affected by increased sickness caused by diet deficiency and by the more attractive work on defence works in the collieries. While the employment of women underground is expected to set the problem of inadequate labour supply, improvement in the conditions of labour are also contemplated. A fact-finding enquiry into the conditions of the coal industry is already on way covering the following subjects: (1) Supplies of grain and other food supplies: (a) Systems in force in various collieries, (b) Extent to which supplies are ~~adequate~~ <sup>and arrangements for the future</sup>, (2) Cooked food and canteens, (3) Housing, (4) Transport, (5) Water supply, (6) Conservancy, (7) Medical Arrangements, (8) Welfare, and (9) Educational facilities.

It is also proposed to employ Welfare Officers including a Lady Welfare Officer, in the Bengal and Bihar Coalfields.

Other measures under consideration include the provision of increased quantities of consumer goods and provision of motor transport from and to the mines.

( The Indian Labour Gazette,  
December, 1943 ).

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Textile Industry.

The Textile Industry (Miscellaneous Articles)  
Control Order, 1943.

The Government of India has issued under the Defence of India Act, on 4-12-43, the Textile Industry (Miscellaneous Articles) Control Order, 1943, under which no sale, purchase or disposal of certain articles of use in the textile industry, other than those in the textile and hemp industries, is to be carried on except under a license issued by the Textile Commissioner, Bombay. The Articles, listed in schedule attached to the Order, number more than forty, and include cotton cards clothing and card clothing sundries, hanks, reeds, shuttles, bobbins, ring travellers, etc.

The present order cancels the five existing control orders relating to hanks, reeds, shuttles, bobbins etc., issued in 1942 and 1943.

( Notification No. 78-Tax (B)/43-(1)  
dated 4-12-43, the Gazette of  
India, dated 4-12-43, part I,  
section 1, pages 1503-1505 ).

Development of Handloom Industry:  
Tentative Decisions reached at by  
Madras Meeting.

Various proposals relating to the development of the handloom industry of India were considered at a meeting of the members of the Handloom Committee of the Indian Textile Board and representatives of Provincial Governments and States, held at Madras on 2-12-43. Sir Ismail Haque, Commerce Member, Government of India, addressing the meeting emphasised the need to do all that was possible to ~~save~~ <sup>develop</sup> the handloom industry.

It is understood that the meeting reached certain tentative decisions based on the recommendations of the Handloom Committee (see pages 14-15 of our January 1944 report) which will be forwarded to the Government of India for approval. Regarding the fixing of prices of yarn, the meeting is stated to have expressed the view that prices should be so fixed that handloom goods should be able to retain their place in the market as against the products of the weaving mills. The meeting also considered a proposal for the constitution of a central handloom board and decided that provincial Governments should be consulted as regards its constitution, powers and functions. The question of lowering the maximum profits now allowed over ex-mill selling prices of yarn, and the supply of dye-stuffs to the handloom industry controlled prices were among other subjects considered by the meeting.

5.

( The Times of India, dated  
4-12-1943 ).

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Control Measures.

The Hides ( Movement Control ) Order, 1943.

The Government of India has issued under the Defence of India Rules, 8-12-43, the Hides ( Movement Control ) Order, 1943, under which no consignment of any kind of raw hides of cattle or buffaloes may be transported by rail from any railway station in North-West India to any station outside, except under Government permit. "North-West India" means the Punjab, the North-West Frontier Province, Sind and Baluchistan.

( Notification No. 1381 dated  
2-12-43, The Gazette of India,  
dated 4-12-43, part I-section 1,  
page 1307 ).

The Control of Imported Engineering Stores  
Order, 1943.

The Government of India has issued under the Defence of India Rules, 4-12-43, the Control of Imported Engineering Stores Order, 1943, under which no owner or consignee of any engineering stores imported at, or in transit to, any place in British India by sea, land or air from outside the limits of India, shall sell, transfer or otherwise dispose of, or use such consignment or any part thereof except under a general or special licence granted by the Director General of Munitions Production, India. "Engineering Stores", in the order, refers to a large number of articles including electric motors, generators, electric cables, insulated wires, fans, metal working tools of various kinds, pneumatic tools, hand tools such as files, rasps, saws etc., compressors, wireless sets, wood-working tools and workshop tools.

( Notification No. 1361 dated  
4-12-43, the Gazette of India,  
dated 11-12-43, part I, section-1,  
pages 1327-1328 ).

Commodities Controlled Under Hoarding  
and Profiteering Prevention Ordinance,  
1943.

Under the Hoarding and Profiteering Prevention Ordinance, a notification was issued on 1-12-1943 by the Controller-General of Civil Supplies, specifying 23 articles of general or wide consumption as coming within the purview of the Ordinance in respect of the limitation on the quantity to be possessed at any time. The articles specified are cigarettes, foodstuffs (other than food grains), including tinned provisions, bottled infant foods; cooking fats; ghee; vegetable ghee; vegetable oils (groundnut, coconut and other oils), spices, chillies and tamarind; salt; tobacco; wines, spirits and potable liquors; agricultural implements; fertilisers; cement; coir and coir products; cutlery; dyes and other chemicals; electric bulbs; leather and leather goods; matches; paints and varnishes; timber; and motor vehicle spare parts and accessories.

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**Control of Woollen Goods.-** Two other notifications have been gazetted 1-12-43 applying certain control measures, in respect of woollen cloth, under the Ordinance. According to the first, all manufacturers of woollen cloth, including mills and powerlooms but excluding handlooms, are directed to supply to the Controller-General of Civil Supplies, New Delhi, on or before December 16, 1943, certain information relating to woollen cloth other than that purchased by the Supply Department of the Government of India. Articles and varieties manufactured, cost of production of each of the varieties, margin of profit between the manufacturer's price and retail price before the war and the possibility of fixing the retail selling price on each piece of cloth—these are some of the particulars on which information is required.

According to the second notification, all dealers in woollen cloth, articles and goods in all the district headquarters towns of all the British Indian Provinces are directed to mark woollen articles exposed intended for sale, with the sale prices, or where the marking of articles is not feasible, to exhibit on the premises a price list of articles held for sale. This should be done within 15 days from December, 1943.

( Notifications No. 1/2/43-C.G.  
(C.S.), dated 1-12-1943,  
Gazette of India dated 4-12-43  
Part I - section 1, page 1302 ).

**New Controller for Indian Shipping**  
**Appointed.**

Mr. L.T. Ghelap I.C.S. has been appointed Controller of Indian Shipping with headquarters in Bombay. To begin with, Mr. Ghelap's task will be to work out compensation for ships requisitioned for war work, subject that has been kept pending for about four years. It also includes a study of India's shipping needs and the formulation of plans for the development of her shipping industry in the post-war period.

( The Statesman, dated  
18-12-1943 ).

**Coal and Steel Commissioners for**  
**India Appointed.**

Owing to the critical situation which has arisen as a result of a drop in coal raisings recently, and in order to co-ordinate action for increasing production and distribution, the Government of India, has appointed Mr. P.C. Young, C.B.E., as Coal Commissioner. He has experience in mining and was recently Coal Supplies Officer in Scotland.

The Government has also appointed Mr. Frank Farr of the U.K. Iron and Steel Control as Steel Commissioner. The duties of the Steel Commissioner will include co-ordination on behalf of the Government of India of the working of the various authorities dealing with iron and steel. He will also centralize and maintain in a standardized form statistics of iron and steel use and production. Mr. E.D. McCallum, also of the U.K. Iron and Steel Control, has been appointed to assist him in organizing the statistical work.

( The Hindustan Times 28-12-43,  
The Statesman 31-12-43 ).

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Economic Advisory Board, to be set up  
in Bihar.

Speaking at the 17th General Meeting of the Bihar Government, Mr. R.P. Mudie, Governor of Bihar, announced that the Bihar Government has decided to set up an Economic Advisory Board to advise Government on the working of the various control measures that it might be necessary to enforce. The ordinary consumer will also be represented on the Board. This Board will take the place of the existing Price Control Advisory Committee whose functions are at present too restricted.

( The Hindustan Times, 13-12-43 ).

## War Finance.

### Government of India's Small Savings Scheme Launched.

The Finance Department, Government of India, has launched, early in December, 1943, a scheme to encourage savings to be known as the Small Savings Scheme. It is understood that it will soon be put into operation in most provinces and is likely to be extended also to the Indian States. Under the scheme Government proposes to appoint authorised agents for the sale of National Savings Certificates. The commission earned by these agents will be paid by the Government; thus their services to the public will be entirely free.

( The Hindu, dated 4-12-43 ).

### Issues

### Issue of Capital for Long Range Industrial Schemes: Conditions of Sanction Revised by Government of India.

The Government of India has revised its procedure for dealing with application for issues of capital in respect of long-range industrial schemes which are not expected to reach production stage till the end of the war.

It has already been made known that such issues would be so regulated as to discourage the companies concerned from competing with enterprises of immediate value for plant, construction materials, skilled labour and transport; and that where consent was given for such issues, it could only be on condition that an order had been placed for the plant or machinery to be delivered after the war and that the money required to pay for such plant should in the meantime be invested in Government loans until required.

"Early" and "Ultimate" Expenditure.-- Government has now found that the condition that an actual order should have been placed has been found to operate with undue severity in the case of new concerns, since suppliers of machinery are unlikely to accept orders from companies that have not already acquired a substantial capital. The procedure, as now revised, will meet this difficulty, while maintaining the position that no facilities can be given to expenditure involving undesirable competition.

Under the revised procedure, capital expenditure is split up into "early" and "ultimate" expenditure. The former means expenditure on purposes which can be satisfied without involving undesirable competition, such as preliminary expenses, purchase of land, office expenses (including the salary of experts), advance payments for plant, etc. When a general scheme is approved, the consent order will not interfere with the collection and disbursement of the amount of capital required for such purposes. 'Ultimate expenditure' means that which will fall due at a later stage, as for example, the payments of the balance cost of plant and machinery at the time of delivery and the cost of constructing buildings, which should not be undertaken until the prospect of delivery of the plant has become definite.

Disposal of Excess Capital.-- Alternative arrangements are possible as regards capital issued in such cases; issue of the whole capital, subject to the condition of not calling up, without the further approval

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Government, more than enough to cover the "early" expenditure ; or, use of the whole capital, subject to the condition that what may be realized in excess of that required for "early" expenditure is invested in Government securities and kept so invested until the time comes for meeting the objects of "ultimate" expenditure.

Government has, however, made clear that applications for consent to the conditions laid down in the alternatives mentioned above will not be admitted until the promoters have carried their plans to the extent of a definite scheme, revealing the nature and quantity of machinery, etc., required, and have also carried negotiations with the suppliers of machinery to a point which will enable them to give at least an approximate figure of the total cost and an indication of the proportion required for advance payments.

( The Hindustan Times, dated  
15-12-1943 ).

**Government of India's Drive against Inflation:  
Interest-free Prize Bonds to be Issued.**

According to a Finance Department Notification dated 15-12-43, the Government of India has decided to issue, from 15-12-43, as part of its anti-inflationary drive, 5-year Interest Free Prize Bonds in the form of series bonds in denominations of Rs. 100 and Rs. 10.

The bonds will be issued in serial form. Each series of Rs. 100 bonds will be for Rs 10 million (i.e. 100,000 bonds of Rs. 100 each) and each series of Rs. 10 bonds will be Rs. 1 million (i.e. 100,000 bonds of Rs. 10 each). The bonds will not bear interest, but there will be a draw by lot for prizes half-yearly on the 15th January and 15th July, commencing from the 15th July 1944 and including the 15th January 1949 in respect of all series of which advice has been received that they have been fully sold. Lots will be drawn under the supervision of the Government of India half-yearly and the following prizes will be awarded:—one prize of Rs. 50,000, 2 prizes of Rs. 20,000 each, and 2 prizes of Rs. 5,000 each in respect of each completed series of Rs. 100 bonds and one prize of Rs. 2,500, 2 prizes of Rs. 1,250 each, 5 prizes of Rs 500 each and 10 prizes of Rs.250 each in respect of each completed series of Rs. 10 bonds. Payment of prize money in respect of the Rs. 10 series will be made in cash and in respect of the Rs. 100 series will be made half in cash and the balance in the form of current Defence Bonds or in National Savings Certificates, up to the prescribed maximum, at the option of the prize-winner. All prize money will be free of income tax.

( Finance Department (Government of India) Notification No.D-8606-B/43 dated 15-12-43, republished in the Sind Gazette dated 30-12-43, part I, page 1850 ).



## Production.

### Increasing Production of Coal: Tripartite Meeting at Dhanbad, 11-12-1943.

The reasons for the present shortage of mine coal and the measures to overcome it were discussed on 11-12-1943 at Dhanbad at a conference attended by representatives of the Central Government, the Governments of Bengal and Bihar, the three mining associations and spokesmen of labour. Dr. Ambedkar, the Labour Member, presided.

In a short opening speech, the Chairman compared the conference with the tripartite labour conferences at which questions relating to industrial labour are discussed. He emphasised the importance of producing more coal both for India's industries and war effort and hoped that the representatives of employers and employees would be able to give their best advice on the matter.

Reasons for Labour Shortage.-- In the course of the discussion that followed the speech, the reasons for the shortage in labour were given as the exceptionally good harvest, which required more labour than usual, owing to the "Grow More Food campaign" and competition of military works. Measures to meet the situation were considered, and employers' representatives asked for more petrol and tyres to help in bringing labour from neighbouring villages to the collieries.

Rationing Scheme.-- The conference considered a scheme proposed by the Central Government some time ago, aiming at providing men and women, employed in the arduous work of mining, and adequate food ration. The possibility of the introduction by the Bihar Government of a rationing scheme in the area was mentioned and it was decided that the scheme introduced for the mines would have to be reconsidered if this occurred. The scheme for miners' supplies includes provision for food for mine workers' dependents. While fixing 15 days as the minimum number of days that must be worked to ensure the full week's return, the scheme also provides for adequate supplies for those who work fewer days. It was agreed that rice should be sold initially to workers at six seers per rupee, and that necessary quantities of dal should also be sold at the same price.

Supply of Other Necessaries.-- The conference examined a scheme proposed by the Central Government for the supply of other commodities like salt, mustard oil, standard cloth and other consumer goods to workers--the intention being that bulk supplies should be placed at the disposal of mining associations for distribution to collieries.

Welfare Schemes to be Financed by Cess.-- Amongst other measures put forward by Government for consideration was a scheme for a welfare cess to be imposed forthwith to create a fund from which expenditure on welfare would be incurred and a proposal to appoint labour officers in all collieries with a production of over one lakh tons.

Wage Increases.-- It appeared in the course of further discussion that mining associations were ready to make a further increase over the wages prevailing in 1939 bringing the temporary war increase to a total of 50 per cent above pre war wages. They were, however, appre-

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insive that this increase would be wasted unless adequate stocks of consumers' goods were available in the coalfields and the necessity of ensuring this was recognised. It was decided to increase dearness allowance by 27½ per cent.

Other Subjects discussed.-- Other items discussed included the feasibility of applying the Payment of Wages Act to coal mines; certain difficulties of its application to coal industry were noted. Requests from the industry in regard to assistance in matters of Excess Profits tax and provision of machinery were also considered.

(The Amrita Bazar Patrika,  
17-12-1943, and  
The Hindustan Times 16-12-1943).

Encouragement of Import of Consumers'  
Goods: Government Policy Criticised by  
Committee of F.I.C.C.I.

At a meeting held at New Delhi on 14-12-43, the Committee of the Federation of Indian Chambers of Commerce and Industry, passed a resolution criticising the policy of the Government of India regarding import of consumers' goods from abroad.

Goods not Essential.-- In the course of the resolution the Committee stated that, whilst, presumably imports of consumer goods are being arranged to make larger supplies of goods available for civilian consumption and so with a view to reducing the prices at which they are being sold at present in the country, the Committee emphatically protests against the policy underlying the step. The Committee held that increased imports of such goods, with the possible exception of drugs, are neither essential nor of such utility and importance that the temporary shortage of their supplies can be a matter of serious concern to the country.

Better Alternative: To help Expansion of Existing Industries.-- Assuming, however, that increased supplies of these goods are urgently required for civilian consumption, the object can be achieved with a real benefit to the country by mobilizing the available industrial resources within the country itself for making possible larger supplies of these goods. During recent years a number of new industries have been started in the country, which have succeeded, to a measurable extent in meeting the requirements of the country in respect of several products, the shortage of which would have been otherwise acutely felt owing to either complete stoppage or severe curtailment of imports. These industries today are in a position to meet the increasing demands in the country for such products if only Government would extend assistance to them in the shape of making possible import of further plant and machinery and of materials and stores necessary for increased output.

The Committee expresses surprise that the Government of India, which has repeatedly pleaded shortage of shipping facilities as excuse for not importing goods essential for the expansion of the output of even already established industries, and held out the same argument when demand was made for more adequate import of food materials from abroad, during the present crisis, should now go out of its way to provide shipping facilities for importing consumer goods of no great importance.

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Dumping - Detrimental to Indian Interests.- Referring to the report at bicycles proposed to be imported from the United Kingdom would be sold in India at prices lower than those prevailing in the United Kingdom, the Committee points out that this form of dumping cannot but prove most detrimental to India's young industry. The least that Government can do is to see that imported articles are not allowed to be sold under a price which is considered fair and reasonable for similar products manufactured in this country.

Government Supporting British Industries at the Expense of Indian Industries.- The Committee apprehends that if Government persists in encouraging increased imports of these goods, it is committing a serious breach of faith with the Indian industrialists who were encouraged to start new industries and expand the capacity of the existing factories, with an assurance that they will be duly protected after the war. The only construction it can put upon the proposed action of Government is that under the guise of making available larger supplies of consumers' goods, the Government of India is assisting British industries at the expense of nascent Indian industries.

( The Hindustan Times, dated  
16-12-1943 ).

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Food.

The Bengal Close Season for Fishes  
Bill, 1943.

A Bill to provide a close season for fishes was introduced by a non-official member in the Bengal Legislative Assembly on 28-9-1943. The Statement of Objects and Reasons points out that it has become a matter of great urgency to provide a measure to promote the growth of fish and to save fishes from extinction. The supply of fish is growing scarce day by day. The pinch is being most keenly felt by rural people who have to depend for their supply on their own catch in the neighbouring natural waters. Fish is a principal dish for the rice-eating Bengalis and, as such, the promotion of its growth is a vital concern for the state as well as the people.

The present Bill aims at checking indiscriminate fishing and destruction of fries and ova during the spawning season.

( The Calcutta Gazette dated  
25-11-43, Part IV-A, page 55 ).

Food Supply to Tea District Emigrant  
Labourers : Central Government Orders  
to regulate Consumption of Rice .

In exercise of powers conferred by the Tea Districts Emigrant Labour Act, 1922, the Government of India has introduced on 2-12-43, certain amendments in the Tea Districts Emigrant Labour Act in Assam, Bengal, Bihar, Orissa, United Provinces, the Central Provinces, and Madras. The amendments provide that, while an order for rationing rice is in force in a district, the supply of rice to an assisted migrant labourer and members of his family accommodated at a depot may be limited to the scale prescribed in the rationing Order, and also that where any rationing order in force provides for the substitution of rice or flour by other foodgrains, such substitute foodgrains shall be supplied, in lieu of rice or flour as the case may be to the assisted migrant and the members of his family, so as to provide for a substantially equivalent ration of foodgrains.

( Notifications Nos. L-3030 (1),  
(2), (3), (4), (5) and (6), The  
Gazette of India, dated 4-12-43,  
part I - section 1, page 1368 ).

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Procurement of Food Grains:  
Outline of Machinery set up  
by Governments.

The Machinery set up by the Governments of the provinces and States for the procurement of food grains varies from place to place. It has been so fashioned as to procure and make food available at reasonable prices to the cultivators, consumers and for export to deficit provinces, while keeping down the middle-man's profit to the minimum. The salient feature of the procurement arrangements in the provinces and States is the purchase of food grains by Government direct from the grower or through agents. The purchases are for the purpose of feeding the urban masses and deficit areas, for building up reserves and for exporting to deficit units under the revised basic plan.

Arrangements in Various Areas.- In the Province of Madras, grain purchase officers have been appointed under the Commissioner of Civil Supplies who assigns to them monthly quotas for purchase and also prescribes ceiling prices. Paddy and rice cannot be exported outside the surplus areas without a permit. In the States of Travancore and Cochin, all private sale of rice and paddy is prohibited and all surplus stocks of paddy available with the cultivators are purchased by the State. In the Province of Bombay, the Revenue Department is responsible for procurement arrangements. The Department intends to buy 25 per cent of the total output of rice and 10 per cent of the total output of millets.

In the United Provinces, purchasing agents have been appointed to work under the close supervision and control of five provincial Regional and Controlling and a large marketing staff. In Orissa, private purchase of more than ten maunds (1 maund 82 lbs.) of rice has been prohibited and official purchasing agents have been appointed in all districts. Storage and distribution arrangements have been made and scales of prices have been fixed for each district. In the Central Provinces, an official agency to procure supplies needed for both export and domestic consumption has been appointed but the existing trade channels will be utilized for the purpose. A virtual Government monopoly in respect of sales in markets and mills has been established. In addition to the control of prices, there is control of movement by rail as well as road by a permit system. In Assam, Government's procurement arrangements are being completed in readiness for the new crop which is about to be harvested.

In Sind, two syndicates, one for wheat and the other for other grains, can alone buy food grains for export purposes. The policy which Government pursues is of clearing out the entire previous crop before the new crop comes into the market. All producers must sell their surplus to licensed dealers in the province and whatever they are unable to dispose of by a certain date, may be requisitioned by the Government through its purchase syndicates. Bihar has been divided into six regions, each in the charge of a grain supply officer whose business it is to buy food grains from surplus areas and to despatch them to deficit areas. In the Punjab, Government has made procurement arrangements through agents appointed for the purpose. In Bengal, no undue demand fixing is being made on the cultivators' own necessary supplies. The Central Government has taken over the responsibility of feeding Greater Calcutta.

Normal trade will be allowed to function under strict control to meet the normal internal requirements within the districts; - deficit

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district will be linked to a specified surplus district and traders in deficit district will be licensed to procure specific quantities from the surplus district. A further factor which is expected to assist in the lowering of prices generally will be the limitation of competition in the market. This will be made effective by the rationing of all urban and industrial areas; the elimination of all large consumers, such as essential services and industries; control over movement from the surplus to the deficit areas; and control over purchases in a district for consumption within the district.

( The Hindu, dated, 2-12-1943,  
and The Times of India, dated,  
3-12-1943 ).  
and Indian Information dated  
13-12-1943 ).

Rehabilitation of Famine-affected People:  
Bengal Government's Measures.

It is understood that the Government of Bengal is examining the question of rehabilitating the various classes of people who have been affected by the famine of 1943 and by the cyclone of the previous year.

Besides the restoration of land sold by the petty cultivators, the Ordinance for effecting this was issued on 24-12-43 - vide section 'Agriculture' in this report), the measures under consideration of the Government in this connection include rehabilitation of (1) those who have lost their vitality and strength due to continued privations and part-starvation over a long period, (2) those who have sold their assets and migrated to other areas in quest of food and are at present homeless, (3) those who have sold or lost their houses, (4) fishermen who have lost their means of livelihood because of having sold their boats, (5) artisans, agriculturists and others who have sold their professional requisites or agricultural implements and are consequently unable to earn their livelihood, (6) cultivators who have run through their capital or lost their occupations, (7) lower middle class people, and others who have had to borrow money at high rates with or without mortgage of property, and labourers who have become physical wrecks and are consequently unable to earn a living for themselves and their families; all these classes are proposed to be brought within the scope of the scheme.

The method of rehabilitation will include supply of nourishing food free, or at cheap rates, through existing relief organisations, collection of various classes of homeless people in work centres where appropriate occupation will be given to them and from where they will ultimately be sent to their home areas and re-established in life, house building loans and grants, loans and grants for purchasing cattle and agricultural implements and re-purchase of professional tools and other essential articles. Long-term loans are also contemplated for persons whom it is intended to restart in their business or occupation, as also those who may have borrowed money from mahajans at high rates of interest.

( Amrita Bazar Patrika, dated  
25-12-1943 ).

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The Bihar Fowls, Eggs, Sheep and Goats  
(Movement) Control Order, 1943.

Under the Bihar Fowls, Eggs, Sheep and Goats (Movement) Control Order, 1943, issued under the Defence of India Rules by the provincial Government on 28-12-1943, the transport of fowls (in excess of one), eggs (in excess of six), and sheep and goats from the province to any place outside is prohibited except under licence.

( The Bihar Gazette Extra-Ordinary, dated 29-12-1943 ).

The Bengal Rice Mills Control Order,  
1943.

Under the Bengal Rice Mills Control Order, 1943, issued under the Defence of India Rules, by the Bengal Government on 30-11-43, the purchase sale and distribution of rice unhusked or husked by owners and managers of rice mills in the province, as also the milling of rice by power driven machinery, may be carried on only under the terms of a licence granted by the Food and Civil Supplies Commissioner, Bengal.

( Other provinces which have already adopted similar measures, are referred to at page 42 of our November, 1943, report ).

( The Calcutta Gazette, dated 2-12-1943, part I, page 1786 ).

Food Rationing in Assam and the Central  
Provinces.

The Government of Assam has issued, under the Defence of India Rules, the Assam Controlled Commodities Distribution Order, 1943, and the Assam Rationing Order on 20-12-43 and 13-12-43, respectively, for restricting and controlling the sale, purchase and disposal of certain essential articles including food materials in the province.

( Notifications No. SD-403/41/1 dated 20-12-43, The Assam Gazette dated 22-12-43 part II, pages 1023-1025, and No. SD-24/43/107 dated 13-12-43, The Assam Gazette dated 15-12-43, part II, pages 939-941 ).

The Government of the Central Provinces and Berar also has Gazetted under the Defence of India Rules, the Central Provinces and Berar Rationing Order, 1943, for controlling the sale, purchase and distribution of certain essential articles like food materials.

( Notification No. 12683-6181 PS, dated 30-12-43, The C.P. and Berar Gazette Extraordinary, dated 31-12-43, pages 201-202 ).

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Food Rationing introduced in Ahmedabad.

The introduction of rationing in Bombay City was reported in pages 1-41 of our May 1943 report. On 18-12-43, the Provincial Government is notified the extension of the Bombay Rationing Order, 1943, to the City of Ahmedabad. The notification, under which rice, wheat, bajri and their products, sugar and baker's bread will be rationed, comes into force on 19-12-43.

( Notifications No. 229 (1) a, and 229 (1) b, dated 18-12-43, The Bombay Government Gazette Extraordinary dated 19-12-43, pages 2798-2803 ).

War Transport.

46th Session of Indian Railway Conference Association, November 1943.

The 46th session of the Indian Railway Conference Association was held at New Delhi on 26-11-43, Mr. C.G.W. Gordon, Agent, M & S.W. Railway residing. In his presidential address, among other matters, Mr. Gordon dealt with the war effort of Indian Railways. On this subject, Mr. Gordon said:

It was not possible to assess in one comprehensive figure the volume of transport provided by railways. Earnings are a rough indication, though this criterion is upset on the one side by the extra charges in force and on the other by the large volume of <sup>war-related</sup> military traffic now being carried. The earnings, of the State-owned group of Railways in 1942-43 are 78 per cent higher than in 1939. The pressure was heaviest on the main broad gauge routes, the following figures showing the traffic by the broad gauge public passenger train service on the M & S.W. Railway during 1942-43 as compared with 1938-39 may be taken as an illustration of the greatly increased volume of traffic carried by India's railways under war conditions.

Passenger miles:-

		per cent.
First Class increase	..	605
Second Class increase	..	339
Intermediate Class increase	..	220
Third Class increase	..	44
Parcels and other Coaching		
Earnings after deducting the increase due to the extra charge	..	156.

( Indian Information, dated 15-12-43 ).



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Post-war Reconstruction.

Inauguration of Post-war Planning Board in  
Hyderabad State.

Reference was made at pages 33 to 34 of our June 1943 report to the setting up of a Post-war Planning Board in Hyderabad State. The inaugural meeting of the Board was held at Hyderabad in the latter half of November 1943 with the Nawab of Chhatari, President of the Nizam's Executive Council, in the Chair.

Chairman's Address: Post-war Reconstruction in Indian States.— In the inaugural address, the Nawab of Chhatari, after referring to the steps taken by the Government of India to plan post-war reconstruction, pointed out that the question of post-war reconstruction is of vital concern to the Indian States no less than to the rest of India, and that in pursuance of the recommendations of the Committee of Ministers of the Chamber of Princes, a special Post-war Reconstruction Committee has been set up to deal exclusively with the work of Post-war Reconstruction affecting the States in general. Sub-Committees to deal with the following subjects in relation to Post-war Reconstruction in the States are also being set up:— (1) Labour and Demobilization. (This Committee will inter alia devote special attention to the question of utilising in the States the services of trained technicians on their return after the war.) (2) Disposal. (3) Public Works. (4) Trade, fiscal and currency. (5) Agriculture, including forests. (6) Industries, including cottage, small and engineering industries. (7) Social Services. (8) A special committee which will assist in getting for the States necessary plant and machinery for the duration of the war and thereafter, through lease and arrangements or otherwise.

Post-war Reconstruction in Hyderabad.— He emphasized the need for Hyderabad State also to get ready plans for reconstruction and post-war development of the industries. Reconstruction problems will be limited in the main to the diversion of trained man-power to peace-time needs and the realignment of nascent industries set up during the war, in order that they might continue to function when the abnormal prices now prevailing would have been reduced, and when there would be a contraction in the market consequent upon an increase in production. It is necessary to inaugurate immediately a proper statistical service relating to the increasing volume of employment in the industries affected by war demands, and to consider how far labour can be re-employed without retraining and what arrangements for the latter will be absolutely necessary. It is also necessary to keep in touch with the army's plans for demobilization, and to review the effectiveness of the existing machinery for putting those in search of employment to work with proper jobs. At the same time complete plans will have to be got ready for new industries and the State's requirements of machinery so that the State might not be left behind in the scramble for machinery, which is bound to ensue. Detailed statistics will have to be collected and schemes worked out on the possibilities of industrial and agricultural development including small-scale and cottage industries, the potentialities of irrigation and the co-operation possible with States and Provinces in the field of economic progress.

Agricultural Development.— Agriculture being the mainstay of a vast majority of the population, rural development will have to receive special attention through the opening up of communications, the provision of cheap power, the extension of irrigation, the development of

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agricultural research and education and the improvement of live-stock. The vastness of these problems have necessitated the setting up of two committees to deal with them. One will tackle agriculture while the other will be concerned with the other aspects of Rural Development. The war has led to the establishment of a Board for Scientific and Industrial Research in Hyderabad. It will, however, be necessary not only to develop but to establish on a permanent basis such an organisation, <sup>the</sup> services of which will be available for the development of industry, agriculture and other resources.

Three lines of Planning.- The plans for post-war development will be in three steps: (1) Preparation during the duration of the war. (2) Post-war development to be undertaken immediately on the cessation of hostilities. (3) Long-range Planning. Hyderabad is comparatively a late-comer in the field of industrial progress and it has much leeway to make up.

Machinery Set up.- To prepare all these plans a separate Secretariat for Post-War Planning has already been set up and is functioning. A Board for Post-War Planning has been constituted and 13 Committees have been appointed to deal with: (1) Irrigation and power. (2) General Industries not covered by Committees Nos. 3 and 4. (3) Small-scale rural and cottage industries. (4) Textiles, woolsens, oils, ceramics and electrical industries. (5) Mineral Resources. (6) Communications other than railways. (7) Scientific and industrial research. (8) ~~Education~~ <sup>Education</sup> (with special reference to technical education) including agriculture. (9) Training of personnel ~~and~~ <sup>for</sup> industries. (10) Rural Development. (11) Man-power. (12) Public Health, and (13) Finance, currency, banking, exchange, and trade. Since the problems that will come up for discussion in these Committees are not limited merely to matters of industrial, commercial and engineering interest, but include within their sphere agricultural, economic and social questions, they have been constituted in such a manner as to include not only official and non-official expert technicians and industrialists, but also economists, thinkers and leaders of public ~~and~~ opinion, so that the recommendations of the various Committees will be comprehensive.

( Hyderabad Information, December, 1943, issue ).

New Social Security Committee Set up  
by Government of India.

A fact-finding social security committee has been set up by the Labour Department, Government of India, in pursuance of the resolution adopted by the last meeting of the Tripartite Labour Conference in September 1943. It is understood that Mr. D.V. Nago, Labour Commissioner, Central Provinces, will be the Chairman of the Committee and Prof. B.P. Adarkar and Dr. Ahmed Mukhtar, members.

( Bulletin issued by the Indian  
Central Jute Committee,  
November, 1943 ).

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Post-war Development of Agriculture:  
Agricultural Board's Suggestions.

Comprehensive proposals for the absorption of the demobilised Indian soldier in civil life after the war, have emerged from the Biennial session of the Crops and Soils Wing of the Board of Agriculture and Animal Husbandry, held at New Delhi recently. The Board includes agricultural scientists, administrators, big farmers and representatives of the co-operative movement and the Inter-University Board.

Survey of Cultivable lands.-- The Board put the greatest emphasis on better utilisation of the land resources and urged three surveys; first, a survey of cultivable waste areas to ascertain why they are not cultivated and to whom they belong; secondly, a ~~summary~~ survey of primary catchment areas with a view to controlling erosion and providing irrigation; and thirdly, a survey of cultivable lands not fully utilised because of deep-rooted weeds, waterlogging, salt and sand dunes, in order to prepare projects for their improvement. Projects ~~also~~ also to be prepared for the rapid development of roads and river communications in the rural areas.

Recommendations.-- The Board's recommendations included the introduction of the cooperative technique in all phases of production and marketing of agricultural products, adoption of a short-term programme of consolidation of holdings, introduction of selected cropping, guarantee of security of tenure to all farmers and restriction of the right of alienation in the case of new settlers. Arrangements are suggested for the provision on an adequate scale of technical advice to farmers.

In the Board's opinion, better exploitation of land must be accompanied by plans to develop all natural resources. In any industrial programme, priority should be given to the manufacture of more efficient agricultural equipment such as fertilizers, farming implements, cane crushers, oil crushers and pumps for lifting water and to small scale auxiliary industries. Such a programme will avoid conflict of interest between India and the industrial West since the post-war world must be so adjusted as to raise the general level of production in an ever-expanding economy.

Demobilised Personnel and settlement in Agriculture.-- Referring to the pace at which servicemen may be demobilised, the Board suggested that military authorities should not demobilize in excess of the capacity of civil life to absorb soldiers and that the rate of demobilisation should be determined by provincial or State Governments. The period between repatriation and demobilisation should be utilized for vocational training of soldiers, suitable soldiers being selected for training in ~~large~~ <sup>various</sup> ~~aspects~~ <sup>aspects</sup> of rural development. The scheme envisages rural institutes, a development commissioner for each province or State and a suitable co-ordinating and directing authority in the Central Government.

Planning Authority to be Instituted.-- Another subject discussed by the Board was the capacity of different regions to produce agricultural commodities from the technical point of view as distinct from economic factors governing production. Discussions envisaged a planning authority <sup>central government and technical authorities</sup> ~~will have to establish a system of priorities, collect information to~~ <sup>which an authority</sup> ~~judge the productive capacity of different regions for different commodities.~~

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Plan for Post-war Industrial  
Reconstruction: Questionnaire  
drawn up by Government of  
India.

The Government of India has drawn up a questionnaire, in consultation with the Trade and Industry Reconstruction Policy Committee, for collection of all relevant information for formulation of plans for Indian industrial reconstruction. The industries covered are cotton textiles, textile accessories, jute textiles, woollen textiles, silk, rayon, iron and steel, power machinery, manufacturing machinery and machine tools, agricultural implements, shipbuilding, and aircraft.

( The Times of India, dated  
18-12-1943 ).

Construction of Rs. 3,500 million Road  
System: Recommendations of Chief Engi-  
neers' Conference.

The immediate setting up of a Road Board with sufficient authority and adequate powers was recommended by the Chief Engineers' Conference convened by the Government of India and held at Nagpur about the middle of December 1943. Such a Board, the conference felt, was more essential for co-ordination and direction at this time of planning than during execution of road programmes.

The conference discussed technical, financial and administrative problems concerning the future development of roads in India. It suggested that a Highway Act should be passed for all India or uniform Acts in all parts of the country. Along with this, the conference urged another Act to prevent ribbon development of roads.

In order to bring all the villages of the country reasonably close to a planned system of all-weather roads, the conference felt, there should be constructed at least 400,000 miles of roads, half of which should be all-weather surfaced roads. To carry out this plan, the conference recommended a system of national highways to serve as a framework within which to fit a network of provincial, district and village roads. In the national highways were included certain trails to open up communications through large undeveloped tracts which are not the particular concern of any province or State. It was estimated that such a system would cost at least Rs. 3,500 million, to which a further Rs. 500 million would have to be added for land acquisition and another Rs. 500 million for bridges. The difficulty of establishing through communications, owing to the lack of bridges was stressed during the discussions.

( The Statesman, dated  
20 and 22-12-1943 ).

List of the more important publications received in this Office  
during December 1943 .

Conditions.-

Annual Report of the Department of Commerce, Baroda State, for the year 1940-41 (ending 31-7-1941). Baroda State Press. 1943.  
File No. 0-9-0.

Policy in War Times.-

Report of the Foodgrains Policy Committee. 1943. Chairman - Sir Frederic Gregory, D.Sc., Kt.. Published by the Manager of Publications, Dhule. 1943. Price Rs. 8/- or 10d.

Accounts.-

Administration Report of the Municipal Commissioner for the City of Bombay for the year 1942-43. Bombay: Municipal Printing Press. 1943.

Bombay Municipality : Administration Report of Municipal Chief Auditor for the year 1942-43. Municipal Printing Press, Bombay.

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