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INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

Report for February 1938.

N.B. Every section of this Report may be taken out separately.

<u>Contents.</u>	<u>Pages.</u>
1. Ratifications.-	
Draft Convention and Recommendations re. Safety in Building Industry: Resolution in Council of State regarding consultation of Provincial Governments carried.	1
2. National Labour Legislation.-	
(a) The Workmen's Compensation (Amendment) Bill, 1937: Report of Select Committee.	2
(b) The C.P. Tenancy (Amendment) Act, 1938: Forced Labour Prohibited.	2 - 3
(c) The Factories (Orissa Amendment) Bill, 1938: Introduced in Orissa Assembly on 28-1-1938.	3 - 4
(d) The Orissa Unregulated Factories Bill, 1938: Introduced in Orissa Assembly on 28-1-1938.	4
(e) Fixation of Minimum Rates of Wages Bill, 1938: Introduced in Orissa Legislative Assembly on 28-1-1938.	4 - 5
(f) Poisoning by Nitro's Fumes classed as Occupational Disease: Bombay Government Notification.	5
(g) Annual Leave with pay for workers: The Bombay Annual Leave Bill, 1938.	5 - 7
(h) Hours of Work of Bengal Shop Assistants: Government plans introduction of Bill.	7
(i) The Cochin Maternity Benefit Bill, 1937: Select Committee recommends Extension of Benefit Period.	7 - 8
(j) Lightning Strikes and Lock-outs to be illegal: Bill to be introduced by Government of Bombay.	9 -10
3. Conditions of Labour.	
(a) Interim Report of the Bombay Textile Labour Inquiry Committee: Higher Wage Rates Recommended.	11-14
(b) Conditions of Work and Employment of Nationals in State-aided Industries: Resolution adopted in Central Legislative Assembly.	15-16
(c) Hours of Work in Jute Industry: New Working Time Agreement under Negotiation.	16
(d) Bombay Shop Assistants' Demands: 8-Hour Day: Minimum Pay of Rs.30.	17
(e) Conditions of Work on Indian Railways, 1936-37.	17-20
(f) Conditions of Work in Indian Posts and Telegraphs Department, 1936-37.	20-22
(g) Proposal for Minimum Salary of Rs. 25 for Municipal Employees, Bombay.	22
(h) "Vetti" (Forced Labour) in Godavari and Vizagapatam Districts: Madras Government instructs its Officers to Prevent it.	

	<u>Pages</u>
(i) Grievances of Indian Railway Workers: Mr. N.M.Joshi's Cut Motions in the Central Assembly.	23-24
(j) Minimum Wage of 3 Annas per Day for Khadi Spinners: Congress Working Committee approves Scheme of A.I.Spinners' Association.	24
(k) Working Class Cost of Living Index Numbers for Various Centres in India during November 1937.	25
(l) Bonus to form part of wages: Bombay Government's Circular to Employers.	25-26.
4. <u>Industrial Organisation.</u>	
<u>Employers' Organisations.-</u>	
15th Session of Upper India Chamber of Commerce: Employer-Employee Relationships in U.P.	27
5. <u>Economic Conditions</u>	
(a) Budget of the Government of India, 1938-39.	28
(b) Railway Budget for 1938-39.	29
6. <u>Social Conditions.</u>	
(a) Liquor Bars to close on Mill Pay Day: Bombay Government's Decision.	30
(b) Prohibition in Salem District: Beneficial Effects on Mill Workers.	30-31
7. <u>Social Insurance.</u>	
Sickness Insurance for Indian Workers: No Legislation contemplated at present Stage.	32-34
8. <u>Public Health.</u>	
(a) Efforts to Reduce House Rents in Bombay: The Bombay Rent Bill, 1938.	35-36
(b) Housing of Bombay Workers: Government Appoints Committee.	36
(c) Labour Welfare Work in Cawnpore: Grant of Rs. 10,000 by U.P. Government.	37
9. <u>Education Affairs.-</u>	
Wardha Education Scheme Discussed by Central Advisory Board of Education.	38-39 38-39
10. <u>Maritime Affairs.</u>	
Government of India Canvasses Views on Hours of Work and Wages of Indian Seamen.	40-41
11. <u>General.</u>	
51st Session of the Indian National Congress, Haripura, February 1938.	42-

Ratifications.

Draft Convention and Recommendations re. Safety in
Building Industry: Resolution in Council of
State to consult Provincial Governments carried.

On 2-3-1938, the Honourable Sir Mohammad Yakub, Acting Member in charge of Commerce and Labour, Government of India, moved the following resolution on the I.L. Convention and Recommendations regarding safety in the building industry in the Council of State:

"This Council having considered the Draft Convention and Recommendations relating to safety in the building industry recommends to the Governor General in Council -

- (a) that provincial Governments be consulted regarding the desirability and practicability of legislation to secure greater safety for workers in the building industry; and
- (b) that their attention be drawn to the Recommendations concerning co-operation in accident prevention and vocational education."

In moving the resolution, Sir Mohammad described the important features of the Draft Convention and the attitude of the various Governments who were represented at the Geneva Conference in 1936 when it was considered. Indian Government delegates at the Conference pointed out the unsuitability of several of the proposals to Indian conditions. Sir Mohammad said that it appeared from a perusal of the proceedings that most countries found that safety regulations for the building industry were necessary, but in India conditions were quite different. The construction of houses in Indian villages could not be regarded as a hazardous occupation; but in some commercial cities, such accidents were inseparable from the trade and no action was possible unless the co-operation of local Governments and municipalities was secured. There should be an adequate system of inspection to enforce building laws.

The Convention itself was of a complicated nature and difficult to enforce in India. This function was primarily that of Provincial Governments and their discretion could not be fettered by a decision taken by the Central Government. For these reasons, Government thought it advisable to consult Provincial Governments and such local bodies as possible before taking any action on the Draft Convention.

Pandit Hirday Nath Kunzru said that, in view of the adequate safeguards provided in the Convention, the Government of India should have taken more positive action than they had done.

The resolution was adopted.

(The Statesman, 3-3-1938). +

2

National Labour Legislation.

The Workmen's Compensation (Amendment) Bill, 1937:

Report of the Select Committee. ✓

The Workmen's Compensation (Amendment) Bill, 1937, was introduced in the Central Legislative Assembly on 23-8-1937 and was referred to a Select Committee on 7-10-1937 (for Notes on Clauses of the Bill see pages 11-13 of our August 1937 report). The major changes proposed by the Select Committee, which has recently reported, are summarised below:

Period for preferring Claims extended: Clause 5.- In the proposed amendment of sub-section (1) of section 10 of the parent Act, the period within which a claim for compensation with respect to an accident may be preferred has been extended by the Select Committee from six months to one year to accord with the general period of limitation in actions for torts.

Poisoning by Nitrous Fumes added to List of Occupational Diseases: Clause 12.- The Select Committee has added "Poisoning by nitrous fumes" to the list of occupational diseases to be included in Part A of Schedule III. This is already notified in most of the Provinces directly concerned as an occupational disease.

(Summarised from the Report of the Select Committee (dated 12-2-1938) on the Bill published in the Agenda papers of the 1938 Budget Session of the Central Legislative Assembly.) See also pages 14 to 19 of Part I of the Gazette of India dated 19-2-1938. +

The C.P. Tenancy (Amendment) Act, 1938:

Forced Labour Prohibited. ✓

On 7-12-1937, the Hon'ble Mr. P.B.Gole, Minister for Revenue, the Central Provinces, introduced in the local Legislative Assembly a Bill to amend the C.P. Tenancy Act, 1920, with the object of empowering revenue officers of the province to penalise the levy of "begar" (forced labour) by land-lords. Section 74 of the Tenancy Act, 1920, merely penalises the levy of illegal cash exactions. Section 201, Land Revenue Act, does not penalise the levy of begar, since the Wajib-ul-arz (the Tenancy Act) contains no provision regarding begar, and

it is not, therefore, in order for the Courts to treat the levy of begar as a breach of the Wajib-ul-arz. It has, therefore, been proposed to add to the Tenancy Act a provision by which the levy of "begar" is penalised.

The Bill was passed by the Assembly on the same day and the Act received the assent of the Governor on 20-1-1938; the text of the Act is published at page 187 of Part III of the C.P. and Berar Gazette dated 28-1-1938.

The text of the new Section (Section 88-A) which has been added to the C.P. Tenancy Act is as follows:

"88-A. (1) No landlord shall—

- (a) employ his tenant or a member of the family of such tenant or a servant of such tenant, or
 - (b) make use of any cattle or agricultural implement of such tenant,
- against the will of such tenant or without making, or agreeing to make, any payment for such employment or use.

(2) If no payment is made, the landlord shall, on the application of the person to whom such payment is due or otherwise, be liable, by order of a Revenue Officer, to pay as a penalty a sum not exceeding twenty times the market rate of wages or hire prevailing in the locality for such employment or use, or when no such market rate can conveniently be determined, to a penalty not exceeding one hundred rupees, and such sum shall be awarded to the tenant as compensation."

The Factories (Orissa Amendment) Bill, 1938: Introduced in Orissa Assembly on 28-1-1938. ✓

Mr. Pyari Sankar Roy introduced in the Orissa Legislative Assembly on 28-1-1938 a Bill (non-official) to amend the Indian Factories Act, 1934, in its application to Orissa Province. The objects of the Bill are mainly (1) to extend the operation of the Factories Act (a) to factories in the province operated by non-methanical means (The Factories Act, 1934, applies only to processes carred on with the aid of power.), and (b) to factories employing 15 persons or more (instead of 20 as fixed by the Factories Act); (2) to make provision for investing local and health

officers with the powers of an Inspector of Factories; (3) to reduce hours of work to 40 per week in perennial factories and 48 in seasonal factories.

The text of the Bill is published at pages 28 to 31 of Part XI of the Orissa Gazette dated 4-2-1938. +

The Orissa Unregulated Factories Bill, 1938:
Introduced in Orissa Assembly on 28-1-1938. ✓

Mr. Pyari Sankar Roy introduced in the Orissa Legislative Assembly on 28-1-1938 a Bill (non-official) to regulate the labour of women and children and to make provision for the welfare of labour in factories to which the Factories Act, 1934, does not apply. The Whitley Commission, it is pointed out in the Statement of Objects and Reasons, recommended the adoption of an Unregulated Factories Act; the present Bill is an outcome of that recommendation. As large numbers of factories in Orissa do not use power and employ less than 20 persons, an Act to regulate their work was, it is pointed out, long overdue. The present Bill is drawn on the lines of the C.P. Unregulated Factories Act, 1937 (vide page 18 of our February 1937 Report).

The text of the Bill is published at pages 32-50 of Part XI of the Orissa Gazette dated 4-2-1938. .

Fixation of Minimum Rates of Wages Bill, 1938:
Bill introduced in Orissa Legislative Assembly on 28-1-1938. ✓

A non-official Bill was introduced in the Orissa Legislative Assembly on 28-1-1938 by Mr. Pyari Sankar Roy to make provision for the fixation of minimum rates of wages in the province. The Bill stipulates that the ^{sub-}Ministry of Public Works shall set up in each district or/division, as the case may be, joint boards consisting of an equal number of employers' and workmen's representatives for the purpose of settling minimum rates of payment to workmen employed in factories or

mines governed by the Indian Factories Act and the Indian Mines Act, which in no case shall be lower than Rs. 20 per mensem. It shall, however, be competent for the workmen of any factory or mine by a duly authenticated majority of seven-eighths to vary the minimum by agreement with the employer.

In the case of establishments not governed by the Indian Factories Act or the Indian Mines Act, the Bill provides that joint boards shall be established for the district or sub-division or for a particular industry, trade, occupation, agricultural employment or service for the purpose of fixing minimum rates of wages which shall be such as are determined by the joint board for such localities, industries, trades, occupations, agricultural employment or service keeping in view (a) the prevailing rates of wages, (b) cost of living and (c) the necessity of providing a living wage.

The text of the Bill is published at pages 93-95 of Part XI of the Orissa Gazette dated 11-2-1938.

Poisoning by Nitrous Fumes classed as Occupational Disease: Bombay Government Notification. ✓

Attention is directed to Notification No. 705/34 dated 12-1-1938 of the Political and Reforms Department, Bombay Government, published at page 68 of Part IV-A of the Bombay Government Gazette dated 20-1-1938, whereby the Government has added "poisoning by nitrous fumes or its sequelae", as an occupational disease under Schedule III of the Workmen's Compensation Act, 1923.

Annual Leave with Pay for Workers: The Bombay Annual Leave Bill, 1938. ✓

On 17-1-1938 Mr. S. C. Joshi introduced in the Bombay Legislative Council a Bill to ~~provide~~ provide for grant of annual leave with pay to certain classes of workmen by their employers (Legislative Council Bill No. II of 1938). Below is given a brief summary of its more important provisions:

Main Provisions: 30 days' Annual Leave with Pay: The Bill is intended to secure a minimum period of annual leave with pay to persons employed in commercial and industrial undertakings and other organised bodies. It secures thirty days as the minimum period of leave during an employment year and the same can be granted either in a single period or in instalments of not less than five days each (clauses 3 and 4). Taking of the leave has been made compulsory and renouncing it is not lawful (clause 5). The workman is entitled to full pay during leave (clause 8) and is liable to forfeit his right to annual leave in certain cases (clauses 9 and 10). Provision has also been made to safeguard any existing right of leave if it is better than the one secured by this Bill.

Definitions: Annual Leave: "Annual Leave" means leave with pay as prescribed in the Bill, other than leave on half pay or without pay due to sickness, convalescence, accident or any other cause.

Employer: "Employer" includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of the deceased employer.

Pay: "Pay" includes any privilege or benefit which is capable of being estimated in money other than a travelling allowance, or the value of any travelling concession.

Workman: "Workman" means a workman as defined in clause (n) of section 2(1) of the Workmen's Compensation Act, 1923. But it shall not include (a) a workman in regard to whose conditions of service the Provincial Legislature has not power to make laws; or (b) a member of the Police Force.

Continuous Employment: Continuous employment during an employment year, which entitles a worker to 30 days' annual leave, is defined as employment which is not interrupted by absence of the workman other than absence due to illness, accident, leave with permission of the employer or absence for a total period not exceeding twenty days in an employment year.

Position in India: In the statement of objects and reasons appended to the Bill it is pointed out that the question of granting annual leave with pay was considered by the International Labour Conference and a Convention was adopted with the requisite majority in the 20th Session in June 1936. In India, the Government of India and the Provincial Governments as well as Municipalities, Local Bodies, Local Boards and many private firms and employers grant leave according to the rules made by them. The views of the Government of India in this matter are expressed in their letter No. L-1831, dated 14th June 1937, to all Provincial Governments and Administrations, wherein they observe:

7

"The Government of India believe that the general principle of Holidays with pay is a sound one, and it is securing increasing recognition in labour legislation in other countries. In India, workers in most Government establishments and in some private ones receive paid holidays....."

(Summarised from text of Bill published at pages 236-242 of Part V of the Bombay Government Gazette dated 31-1-38
+

Hours of Work of Bengal Shop Assistants:
Government plans for introduction of Bill. +

At pages 4-8 of the report of this Office for January 1938 a summary of the Bengal Shop Hours and Shop Assistants Bill (non-official Bill) was given. The Minister in charge of the Department of Commerce and Labour, Bengal, recently made a statement to the effect that the Government of Bengal have at present under consideration a draft Bill called the Bengal Regulation of Shop Labour (Hours, Wages, Compensation for Accidents) Bill to regulate the conditions of work of employees in all classes of shops.

According to a press note issued by the Government of Bengal, the Bill inter alia has provisions prescribing: hours of work of shop workers; hours of opening and closing of shop premises; dates by which shop workers must be paid their wages; grant of sick leave to shop workers; payment of compensation to injured shop workers while on duty and penalties for the contravention of its provisions.

It is hoped that it will be possible to proceed with the Bill in the next session of the Bengal Legislative Assembly and interested parties are invited to send in their suggestions to the Joint Secretary, Government of Bengal, Department of Commerce and Labour, during the next three months.

(The Statesman, 28-2-1938.) +

The Cochin Maternity Benefit Bill, 1937:
Select Committee Recommends Expansion of Benefit Period. +

The Cochin Maternity Benefit Bill, 1937, which was introduced in the Cochin Legislative Assembly on 3-12-1937, and was referred to a Select Committee the same day (vide page 3 of our January 1938 report), The Select Committee has now submitted its report, an

important change suggested being that the period of maternity benefit should be extended from seven to eight weeks. With this modification, the Bill has been accepted in its entirety by the Committee.

Dr. A. R. Menon, a member of the Select Committee, while agreeing that the maximum period for which any woman shall be entitled to the payment of maternity benefit shall be eight weeks, in a separate minute observes:

"While it is necessary that the mother should get at least four weeks' rest after labour, it is not necessary to insist upon her taking leave one month prior to the actual event. In the first place, it is difficult to anticipate the event with any certainty. Sometimes the mother can go on working till the very end, and the rest is much more essential after the delivery than before." Dr. Menon thinks that a woman should get the benefit of 2 months' rest.

(The Hindu, 17-2-1938).+

9

Lightning Strikes and Lock-outs to be illegal:

Bill to be introduced by Government of Bombay.

A comprehensive Bill has been drafted by the Government of Bombay with the object of helping to prevent strikes and lock-outs and to promote amicable settlement of trade disputes in factories and other industrial establishments. The Bill contains penal clauses for infringement of its provisions and aims at setting up machinery for the conciliation of trade disputes.

Main Provisions: Employers' Obligations.- According to the provisions of the Bill, employers will be required to give 30 days' notice to their workers of any change in wages or hours of work. A fortnight's notice will have to be given for the dismissal of a worker, the introduction of rationalisation or efficiency systems, the stoppage or change in shift work and withdrawal of the recognition of a union. It is understood that the Bill will provide for the imposition of a fine for failure to comply with this provision.

Classification of Unions.- Unions registered, or to be registered in future, will be classified, besides those "not recognised", ~~into those recognised by employers and those recognised by employers~~ with approved arbitration procedure. Notices will have to be displayed not only in factories, but will also have to be sent to the secretary of the union associated with that particular factory.

Labour Officer to act where no Union exists.- If a union is not recognised by an employer or no union exists, the Labour Officer will have authority to negotiate and discuss the effects of the notice with the employer.

Conciliation Officers.- The Bill will authorise Government to appoint conciliation officers and labour officers. A dispute referred to a conciliation officer will be heard in camera in the presence of representatives of the parties to the dispute. He will make an attempt to settle the dispute, and if he fails to do so, he will report the matter to Government.

Conciliation Boards.- After considering the report of the conciliation officer, the Minister for Labour will appoint a conciliation board to hold a public inquiry into the dispute. The board will, however, have authority to take evidence in camera, but its report will be published. The board will consist of two members representing labour and the employer, with a chairman to be nominated by Government.

Arbitration Board.- The Bill will also provide for the appointment of an arbitration board consisting of three members,

two representing the parties to the dispute and the third to be selected by their common consent. Their unanimous decision shall be binding on the parties to the dispute, but if the members of the arbitration board differ, the matter will be referred to the Minister. The Minister will have the power to appoint an umpire to decide the question on which the board disagreed or to interpret any of the terms of agreement. In the event of disputes in establishments having unions recognised by employers with arbitration procedure, the decision of the arbitrators will be final.

Time Limit for Conciliation Proceedings.- The Minister will have authority to fix the time limit for each stage of conciliation for each dispute and to extend it. It is likely that the maximum period for such an inquiry will not exceed six months.

Illegal Strikes and Lock-outs.- Strikes or lock-outs declared while a dispute is before a conciliation board or during the period of notice will be considered unlawful. Collection of funds for encouraging a strike, as well as efforts on the part of individuals or unions to incite workers to declare a strike will be considered illegal and will be dealt with accordingly.

Penalties for Non-Co-operating Workers and Employers.- The Bill proposes to make it compulsory for the parties to a dispute to tender evidence and information before the conciliation officer appointed to effect an agreement between them. Any worker non-co-operating or inciting a worker to non-co-operate with the process of conciliation will be sentenced to prison for a period of six months or fine, or both. Employers will also be dealt with if they fail to carry out their obligation to co-operate with the conciliation officers.

Consultation of Employers' and Workers' Organisations.- Before the Bill is moved in the Bombay Legislative Assembly, probably during its monsoon session, Government will ascertain the opinion of commercial bodies regarding its provisions; trade unions in the province will also be given an opportunity to express their views on the Bill. The Bill when passed into law will replace the existing Bombay Trade Disputes Conciliation Act, which will be repealed.

(The Times of India, 24-2-38) ✓

11

Conditions of Labour.

Interim Report of the Bombay Textile Labour Inquiry
Committee: Higher Wage Rates Recommended. *

The Textile Labour Inquiry Committee appointed by the Government of Bombay on 13-10-1937 (vide pages 30-34 of our October 1937 report), has recently submitted an interim report. The salient features of the report are given below: It has been prepared with particular application to one of the Committee's terms of reference which required it to report whether in view of the present condition of the industry an immediate increase in wages could be given in any occupation, unit or centre of the industry pending the conclusion of the Committee's work. This question has been studied in detail by the Committee which has closely analysed all the data relevant to the issues involved.

Survey of the Industry: In Chapter 2 of the Report a survey of the industry has been taken. It opens with an account of the present extent and distribution of the industry in the Province. In order to understand the present condition of the industry, the Committee has examined recent trends in world economic activity and has come to the conclusion that since the year 1936, the depression has definitely lifted and that all aspects of Indian economic activity show definite signs of recovery. As regards the textile industry, the factors that prominently mark its recent history, according to the report, are: (1) decline in imports of piecegoods, (2) recovery of the home market, (3) expansion of exports, and (4) increased efficiency of production. The Committee also notices some special features in regard to the industry in the Province. These are: the tendency for the mills in Bombay to produce finer and more diversified goods and for Ahmedabad to go "finer" still. Another special feature of the industry in recent years has been the introduction of what is known as rationalisation or efficiency schemes. "Rationalisation" has made considerable progress both in spinning and weaving in Bombay City, and in spinning only in Ahmedabad.

Wage Position: The wage position in the industry has been dealt with at some length in Chapter 3 of the Committee's report and statistical tables showing the wage position in July 1937 compared with earlier dates for which data are available have been given. The chapter enumerates the reasons for the wage cuts, the extent of cuts, and the effect of the cuts on earnings. Demand for the restoration of the cuts has been made on behalf of labour from all the principal centres. In arriving at its estimate of the wage cuts in the various centres, the Committee has relied

* Report of the Textile Labour Inquiry Committee 1937-38. Vol. I - Interim Report. Superintendent, Government Printing and Stationery, Bombay, Price Annas 7 or 9d. pp. 104

mainly on the enquiries into wages made from time to time by the Bombay Labour Office, including the one relating to July 1937, provisional results of which have been made available to the Committee by the Commissioner of Labour. In this Chapter the Committee also refers to the cost of living index numbers compiled by the Bombay Labour Office. Those for Bombay and Ahmedabad show a rise of 7 to 8 points during 1937.

Trends in Productive Capacity: Increase Registered: - In Chapter 4 the Committee examines in detail the various statistical indices of the trends in productive activity of the industry for the years 1936 and 1937. This examination points uniformly to a considerable upward movement during the year 1937. The statistics for the production of goods for the first eight months of 1937 show a monthly average which is in all centres higher than the monthly average for 1936 by more than 10 per cent. Consumption of Indian raw cotton in Bombay and despatches of goods from Ahmedabad and Sholapur reveal continued increased activity for the whole of the year. Increased night shift working indicates an increased pressure of demand and the figures of exports and imports show expanding markets for the Indian industry and a decline in the strength of competitors.

Financial Position of the Industry: In Chapter 5 the Committee has discussed in considerable detail the financial structure and position of the industry. The report assesses on ~~the basis of the consolidated balance sheet~~ of Bombay city mills for the first half of 1937 the improvement in the financial position in that centre as compared to the previous year and finds that betterment to the extent of nearly Rs. 5.6 millions has accrued for the year. As the position during the second half of 1937 was better than the first, the Committee estimates the additional betterment, without allowing for the gain due to the fall in the price of cotton, at nearly Rs. 2 millions. It is estimated that for Ahmedabad the betterment for the second half of 1937 would be approximately 2/5th of that secured in Bombay.

Estimate of Margin of Profit: ~~As~~ In Chapter 6 the Committee discusses at some length the margin of profit to the industry in view, especially, of the fall in the price of cotton. In its view the difference between the price of a unit of cotton on the one hand and a unit of cloth on the other, can under certain conditions be regarded as an index of the margin of profit in the cotton textile industry. After examining in detail the general condition of the Indian cotton market and the prices of cotton, both Indian and foreign, during recent years and months, the Committee thinks that the average price level for 1937-38 will be at least a fifth lower than that of the two previous years. A special composite weighted index number of the price of cloth on base 1933 equal to 100 has also been constructed which reveals no downward trend in cloth prices in recent months in spite of the great fall in the price of cotton. The data before the Committee leads it to the conclusion that cloth prices have in the current year, been so far above the level of prices for 1935-36 and 1936-37 that it is unlikely that the average price obtained for cloth for the whole of the current season will be lower than the average for the two previous years.

Conclusions and Recommendations: (a) Present Improvement of Permanent Nature: Having regard to the general progress of economic recovery, the Committee has come to the conclusion that the present improvement in industry is not of a purely temporary nature and it is because of this reassuring position that it holds that it can well face the future in a spirit of confidence and can meet, out of the substantial betterment that ~~x~~ has accrued and will continue to accrue for the greater part of the current year, additional charges of a reasonable magnitude for raising the wage level.

(b) Increase in Wages by 12% suggested: For purposes of recommending an increase in wages, the Committee does not entrench upon the improvement due to normal trading conditions in the industry in 1937 and 1938. Immediately, it is only the surplus resulting from the fall in the price of cotton upon which it wishes to draw. In order, further, that the industry may have time to adjust itself to the proposed increase in the annual wages bill and that the additional burden may be met without difficulty in subsequent years as well, the Committee suggests an increase to the extent, not of the entire, but of half the amount of this surplus. The Committee in arriving at the figure which would be available for disbursement by way of increase in wages has taken into consideration the proposed legislation regarding sickness and old age benefits. It has allowed for four weeks' wages as the possible cost to the industry of this legislation during the years 1938 and 1939, on the basis of one week's wages in 1938 and three weeks' wages in 1939. Assuming the wages bill to be 22.5 per cent. of the total cost of production, the Committee finds that within the available surplus, an average increase of about 12 per cent. in wages can be given.

(c) Classification of Workers: The Committee has divided all the workers in the industry into five categories of earnings and has recommended a sliding scale of increase, as per table below (In adopting the sliding scale, the Committee had two objects in view; firstly, to grant more relief to lower paid employees and secondly to avoid accentuation of the disparities in wages that already exist between mill and mill):

Category of earnings	Rate of Increase	Remarks
Below Rs.13-8	3 Annas in the Rupee	Provided that no person falling in this category shall receive more than Rs.15-8 as a result of the increase.
Rs.13-8 and below Rs. 25	2½ Annas in the Rupee	Provided that no person falling in this category shall receive more than Rs. 28 as a result of the increase.
Rs. 25 and below Rs: 35	2 Annas in the Rupee	Provided that no person falling in this category shall receive more than Rs. 39-4 as a result of the increase.

(table continued)

Category of earnings	Rate of Increase	Remarks
Rs. 35 and below Rs.40	1½ Annas in the Rupee	Provided that no person falling in this category shall receive more than Rs. 43 as a result of the increase.
Rs. 40 and below Rs.75	1 Anna in the Rupee	Provided that no person falling in this category shall receive an increase in earnings of less than Rs. 3.
Rs. 75 and over	Nil	- - -

Although the Committee has adopted the same schedule for the increase to be granted in the different categories and in the different centres, its recommendations as regards time-workers and piece workers are not the same. While in the case of both these types of workers the calculation of the increment will be based on earnings, the rate of increment for a time-worker will be based on the fixed time wage of full time workers in a particular occupation and that of a piece-worker on his actual earnings.

Extent of Burden of Wage Increases on Industry: The Committee finds that according to these calculations (based on data contained in the Labour Office Wage Census Report of 1934) the percentage increase in the annual wages bill as a result of its recommendations will be 9.0 per cent. for Ahmedabad, 11.9 per cent for Bombay and 14.3 per cent. for Sholapur. The Committee is of opinion that on a balance of the considerations set forth in the report, the grading in the incidence of the wage increase between the various centres resulting from their recommendations, is fair and proper.

Government Resolution.- The Government of Bombay has adopted a Resolution on the Report on 14-2-1938 according to which the Government has accepted the recommendations of the Committee, and recommended to the Millowners that the proposed increases should be introduced with effect on the wages due for the month of February or for the last pay period of the month of February 1938. The conclusions and recommendations of the Committee have been made after a searching enquiry, and in the view of the Government are entitled to the weight and authority which should be attached to the award of an Industrial Court or a Court of Arbitration. The Government is therefore of opinion that the recommendations as they stand should be carried out and accepted both by employers and labour. +

(table continued)

Category of earnings	Rate of Increase	Remarks
Rs. 35 and below Rs.40	1½ Annas in the Rupee	Provided that no person falling in this category shall receive more than Rs. 43 as a result of the increase.
Rs. 40 and below Rs.75	1 Anna in the Rupee	Provided that no person falling in this category shall receive an increase in earnings of less than Rs. 3.
Rs. 75 and over	Nil	- - -

Although the Committee has adopted the same schedule for the increase to be granted in the different categories and in the different centres, its recommendations as regards time-workers and piece workers are not the same. While in the case of both these types of workers the calculation of the increment will be based on earnings, the rate of increment for a time-worker will be based on the fixed time wage of full time workers in a particular occupation and that of a piece-worker on his actual earnings.

Extent of Burden of Wage Increases on Industry: The Committee finds that according to these calculations (based on data contained in the Labour Office Wage Census Report of 1934) the percentage increase in the annual wages bill as a result of its recommendations will be 9.0 per cent. for Ahmedabad, 11.9 per cent for Bombay and 14.3 per cent. for Sholapur. The Committee is of opinion that on a balance of the considerations set forth in the report, the grading in the incidence of the wage increase between the various centres resulting from their recommendations, is fair and proper.

Government Resolution.- The Government of Bombay has adopted a Resolution on the Report on 14-2-1938 according to which the Government has accepted the recommendations of the Committee, and recommended to the Millowners that the proposed increases should be introduced with effect on the wages due for the month of February or for the last pay period of the month of February 1938. The conclusions and recommendations of the Committee have been made after a searching enquiry, and in the view of the Government are entitled to the weight and authority which should be attached to the award of an industrial Court or a Court of Arbitration. The

It is understood that the Millowners' Associations of Bombay Government have accepted the recommendations of the Committee regarding increase of wages, accepted both by employers and labour. +
(The Bombay Chronicle, 7-3-1938).

Conditions of Work and employment of nationals in State-aided Industries: Resolution adopted in Central Legislative Assembly. ✓+

Mr. Sri Prakasa moved a resolution in the Central Legislative Assembly on 4-2-1938 urging the Government to take effective steps to impose on all industries which are, or which may be, in receipt of any aid or subsidy from the Central Government in any shape or form, such conditions as may secure: (1) the employment of not less than a specified proportion of Indians, both in the higher and other grades of their employ, and (2) adequate wages and fair treatment to Indians employed by them.

In moving the resolution Mr. Sri Prakasa emphasised the need for the utilisation of Indian talent in the development of industries in this country. In the matter of amenities provided to labour, India should be brought in line with other countries taking into consideration the minimum wants of the people in the matter of food, clothing, education, etc. Such average fixed should be properly balanced, so that, while providing adequate comfort to labour, they did not overlook the interests of the consumer.

Mr. N.N. Joshi said that protection was given to an industry so that its existence might be beneficial to the community as a whole. He would have liked the resolution to be more broad-based than as proposed. He suggested the appointment of inspectors to see that the industries treated labour properly. He complained that several industries in India did not pay adequate wages to workers for providing minimum comforts and the Government had been neglecting their duty in this respect. The sugar industry was protected at considerable cost to the State, but the wage-earners were not cared for. He hoped that at least in the case of protected industries, the Government of India would insist on their affording adequate protection to labour.

Mr. Manu Subedar (of the Indian Merchants' Chamber, Bombay,) felt that industries in India should be surveyed by the Government in a better manner than was done in the past. The Government must see that those industries which enjoyed State aid afforded maximum benefit to the community. If Indian concerns experienced some difficulties which manufacturers abroad did not experience, then these difficulties might be covered by State protection which should also cover any stipulations which the Government might lay down in the larger interests of the community. The speaker criticised the Government for too hastily giving effect to Geneva Conventions. What labour wanted was robust trade unionism and strong machinery to avoid strikes and lockouts. The Government in this country had done nothing in these directions. These were measures which industry as well as labour required at the present moment.

■.

Mr. A.G.Clow, Secretary, Labour Department, replying on behalf of Government said that the underlying principle of the resolution, as far as he could see, was that if protection was given to the capitalist they must ^{also} give protection to his workers. They were not now asked to secure fair conditions ~~of~~ or special protection for labour generally. They were asked to do it in certain particular industries, that is to say, they were asked to have a special labour code for certain industries which would not be universally applicable, and those industries were to be selected on a particularly adventitious system because they were facing foreign competition or for other reasons. There was no guarantee whatever that labour conditions in those industries would be quite different from others. That was where the difference between the Opposition and the Government arose. Generally speaking, Mr. Clow said, conditions of labour in organised industries which received the lion's share of protection were on an average, somewhat better than in unprotected industries. He was not sure what was going to happen when protection stopped. Then the capitalist would say, "I can no longer observe those special conditions because I no longer have special protection" and there is going to be coercion thereafter to maintain the standard for the benefit of labour when it had ceased to be required for the benefit of capital.

(The Statesman, 5-2-1938)+

Hours of Working in the Jute Industry:

New Working Time Agreement under Negotiation. ✓+

With a view to curtail output, the member mills of the Indian Jute Mills Association, Calcutta, had been working short-time Agreement for some time past. But, as a result of the unfair action taken by "outside" mills to increase their own ~~in~~ output by working longer hours than the member mills, the Association decided in 1937 to suspend the working time agreements. (vide pages 19-20 of the January 1937 and pages 26-27 of the February 1937 reports of this Office). According to the Times of India's correspondent in Calcutta, a move has recently been made to effect an understanding between the Association and the "outside" mills. Formal proposals for a fresh working agreement have been put forward by the "outside" mills, and certain initial negotiations have taken place between their representatives and the ~~X~~ Chairman of the Indian Jute Mills Association. It is understood that the "outside" mills have proposed an agreement of five years during which period no fresh machinery is to be laid down, and mills of more than 250 looms ~~which~~ (which means in effect, the bulk of the trade) are to work a maximum of 45 hours weekly, whilst those with less ~~than~~ 250 looms are at liberty to work up to 54 hours weekly. The agreement can be revised at the end of three years.

The result of the negotiations has not yet been announced.

(The Times of India, 4-2-1938)+

Bombay Shop Assistants' Demands:

8-Hour Day: Minimum Pay of Rs. 30/-. ✓ +

A deputation of the Gumastakal Sangam (Association of Clerks), Bombay, waited on the Hon. Mr. B.G.Kher, Prime Minister, Bombay, on 11-2-1938 and suggested to him that legislation be undertaken to reduce the hours of work of assistants and clerks in shops.

The deputation, which was led by Mr. Y.J.Meherally, requested the Prime Minister to see that shop employees had an eight-hour day, a weekly holiday, one month's leave per year on pay and a minimum wage of Rs. 30 per month. It was also urged that a ban be imposed on the working of markets at night.

The Prime Minister gave a sympathetic hearing to the views of the deputation.

(The Times of India, 14-2-1938.) +

Conditions of Work on Indian Railways, 1936-37.* +

As in previous years, the Railway Board's annual Report on Indian Railways for the year 1936-37 is published in two volumes. Volume I reviews the general administration, financial results of the working of railways, important developments occurring during the year, and various aspects connected with railway management and operation. Volume II is a compilation of financial and statistical summaries and statements covering the main heads of the capital and revenue accounts and exhibiting statistics connected with the various aspects of railway working. The following information about the conditions of work of employees is taken from Chapter VI—Staff (Volume I) of the publication.

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 1936-37 (up to 31-3-1937) was 710,880 as compared with 712,778** at the end of 1935-36. ~~The total route mileage at the~~ Government of India - Railway Department (Railway Board) Report by the Railway Board on Indian Railways for 1936-37. Volume I. Manager of Publications, Delhi. Price Rs.6-4 or 10s. pp.ix+153.

** Represents revised figures for 1935-36 due to changes made by the Railway administrations in the figures published last year.

The total route mileage at the end of the year was 43,128. The following table shows the number of employees by communities on the 31st March 1936 and 31st March 1937.

Date	Europeans	INDIANS					Total	
		Hindus	Muslims	Anglo Indians and Domi- ciled Euro- peans.	Sikhs	Indian Christ-Comm- nities.		
31st March, 1936.	3,212*	505,559*	155,440*	13,424*	8,740	16,826*	9,577*	709,566*
31st March, 1937.	3,121	504,983	154,535	13,416	8,734	17,253	8,838	707,759
				31st March, 1936.	Grand total			712,778*
				31st March, 1937.	-Do-			710,880

*Represents revised figures due to minor corrections made in the figures published last year. (These figures exclude the staff on loan from the Indian Audit and Accounts Service (Deptt.).)

Cost of Staff: There was a decrease of 2,704 in the total number of staff employed on open line on 31st March 1937 as compared with 31st March 1936, while the staff on loan from the Indian Audit and Accounts Service and the Construction Staff were less by 1 and 639 respectively. In 1936-37, the wages bill of all Class I Indian railways amounted to Rs. 364,565,572 (for 1870 gazetted officers, 14 officers on loan from the Indian Audit and Accounts Service, 672,807 non-gazetted employees in both open lines and construction branches) as against a wages bill in 1935-36 of Rs. 363,598,005 (for 1864 gazetted officers, 15 officers on loan from the Indian Audit and Accounts Service, 676,156 non-gazetted employees in both line and construction branches); in 1936-37 there was thus an excess of Rs. 967,567 in the wages bill.

Recruitment - Indianisation (a) State-owned Railways: During the year 26 appointments, 21 by direct recruitment and 5 by promotions, were made to the superior railway services. Of these 3 were Europeans, 12 Hindus, 2 Muslims, 4 Anglo-Indians, 3 Sikhs and 2 Indian Christians.

(b) Company-Managed Railways: During the year 41 appointments, 23 by direct recruitment and 18 by promotion, were made to the superior services of Company-managed railways. Of these 15 went to Europeans, 7 to Hindus, 10 to Muslims, 2 to Anglo-Indians, 2 to Sikhs, 2 to Indian Christians and 3 to Parsis.

Review of Progress since 1925: The Indian element in the superior services has risen from 28.02 per cent on State-managed and 17.74 per cent. on Company-managed Railways in 1925 to 47.44 per cent. on State-managed and 40.67 per cent. on Company-managed Railways in 1937. ~~Among the Indians the percentage increased by communities in 1937.~~

Representation of minority communities in railway service:

In the report for the year 1935-36, mention was made that to assist the Railway Board to watch the operation of the orders issued by the Government of India in regard to the representation of minority communities in railway services, an additional officer had been temporarily appointed at the Railway Board's headquarters with effect from the 17th October 1935. This officer continued to perform the duties assigned to his office during the year 1936-37. The Railway Board have under consideration the question of authorising Agents of State-managed Railways to make direct recruitment to grades higher than the lowest in the subordinate services (intermediate grades) up to a limited percentage of vacancies per annum subject to the observance of percentage fixed by the Government for the various minority communities.

Improvements in the service conditions of the staff: Hours of Employment Regulations.- Chapter VI of the Indian Railways Act, 1890 (as amended), which contains the legal provisions regarding the Hours of Employment and Periods of Rest of Railway Servants, and which, together with the statutory rules made thereunder and the subsidiary instructions issued by the Railway Board constitute the Hours of Employment Regulations, have, so far, been given statutory effect on the North Western, East Indian, Eastern Bengal, Great Indian Peninsula, Bombay, Baroda and Central India and Madras and Southern Mahratta Railways. The extension of these regulations to other railways was considered towards the close of the year 1936, and it was decided ~~that they should be applied~~ to the Bengal and North-Western Railway from the 1st October 1937. The question of the further extension of these regulations to other railways will be considered in due course.

Welfare: (a) Assistance to railway employees from railway funds towards education of their children.- The recommendations of the Central Advisory Council on proposals formulated by the Government of India relating to the policy of railways in the matter of grant of assistance to railway employees towards the education of their children, received consideration, and it was decided to make no change for the present.

(b) Staff Benefit Fund.- The Staff Benefit Funds established on principal railways continued to provide various forms of amenities and relief to subordinate and lower paid staff.

Report of the Royal Commission on Labour: Certain recommendations of the Royal Commission on Labour concerning railways still remain to be decided, the more important being those relating to the establishment of a Joint Standing Machinery for the settlement of disputes. It has been decided not to accept the recommendation that workers required, after confirmation, to undergo periodical medical examination should have the right to be examined, if they desired, by an independent specialist, as railway medical officers are adequate for the purpose; and so long as railway administrations are responsible for the safety of the travelling public they must be guided by the opinion of the principal or Chief Medical Officers of Railways to whom employees, who have been examined by District Medical Officers, have a right of appeal. It has also been decided not

to preclude railway medical officers from private practice. Agents of State-managed Railways have, however, been advised to instruct their Chief Medical Officers to see that District Medical Officers do not indulge in private practice to an extent which prevents them from carrying out properly their duties to the railway staff and their families.

Meeting with the All-India Railwaymen's Federation.- During the period under review the Railway Board met the representatives of the All-India Railwaymen's Federation on two occasions, once in July 1936 and again in February 1937. The subjects discussed at the meeting held in July 1936 were the Railway Board's rules relating to staff retrenchments and the employment of retrenched staff, new scales of pay and grievances of accounts staff so far as these subjects related to State-managed Railways. At the meeting held in February 1937 the following subjects were discussed: (i) Draft payment of Wages (Railways) Rules published by the Government of India, in the Department of Industries and Labour, Notification No.L.3070, dated the 15th October 1936; and (ii) the establishment of Joint Standing Machinery for dealing with industrial relations on Railways.

(The report of the Railway Board for 1935-36 was reviewed at pages 33-37 of our February 1937 report). +

Conditions of Work in Indian Posts and
Telegraphs Department, 1936-37.*

Financial Working.- The Posts and Telegraphs Department consists of four branches: Post Office, Telegraphs, Telephones and Radio. The financial results of the working of the Department for the year 1936-37 are summarised below:

	Post Office.	Telegraphs.	Telephones.	Radios.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.
Receipts.	80,423,027	26,988,221	8,604,052	887,454	116,902,754
Expenditure.	77,688,622	29,981,291	6,625,020	1,153,269	115,448,202
Surplus (+) or deficit (-)	2,734,405	-2,993,070	+1,979,032	-265,815	+1,454,552

Strength of Staff.- On 31-3-1937 the total number of persons employed by the department was 121,367 as compared with 119,863 at the close of 1935-36. The figure includes 21,680 extra

* Indian Posts and Telegraphs Department Annual Report for the year 1936-37. - New Delhi: Printed by the Manager Govt. of India Press. 1938. Price Rs. 2-4-0 or 4s. - pp.iv+67.

extra departmental postmasters, stamp vendors, delivery agents and others, who are not whole time government servants and 2,776 members of the Audit and Accounts staff. ~~Of~~ Out of the remaining 96,911 employees, 468 belonged to the superior (gazetted) staff, which includes 140 divisional and other Superintendents, 45 postmasters and 70 telegraph traffic officers, most of whom are in executive charge of the larger post and telegraph offices or of postal and railway mail service divisions, and 117 assistant and deputy assistant engineers, most of whom are in executive charge of engineering sub-divisions or in comparable posts. The remaining 96 officers are actually holding higher charges such as are commonly regarded by the general public as controlling the business of the department.

Communal Composition of Staff.- Of the 468 gazetted staff, 58 were Europeans, 133 Hindus, 41 Muslims, 185 Anglo-Indians, 6 Sikhs, 11 Indian Christians, 8 Parsis and 6 other communities. Of the total staff, excluding Audit Staff and Extra Departmental Agents, totalling up to 84,074 employees, 83 were Europeans, 57,000 Hindus of higher castes, 1,478 depressed class Hindus, 18,707 Muslims, 2,167 Anglo-Indians, 887 Sikhs, 2,012 Indian-Christians, 212 Parsis and 1,531 other communities.

Unions and Associations.- On the 31-3-1937 the number of ~~unions and associations~~ of employees of the Department, recognised by the Government, was 12. The total membership of these recognised associations, ~~including two the figures in respect of which have not been supplied,~~ was 36,872, the total number of whole-time permanent employees under the Department being nearly 97,000.

Co-operative Credit Societies.- At the end of the year there were 59 Co-operative Credit Societies working for the benefit of the staff of the Posts and Telegraphs Department with a membership of 66,210 and a subscribed capital of Rs. 34,15,000. These figures represent an increase of over 2,000 members and Rs. 203,000 of subscribed capital over the corresponding figures at the end of 1935-36. Loans amounting to over Rs. 8,103,000 were advanced to 29,297 members in the year under report as compared with about Rs. 7,678,000 advanced to 28,116 members during 1935-36. The deposits made by members in the societies increased from Rs. 1,768,000 in 1935-36 to Rs. 1,928,000 in 1936-37, indicating that the societies have not only provided cheap credit but have also helped to encourage thrift.

Volume of Postal Business.- Excluding the air routes, there existed at the end of the year about 170,000 miles of lines over which mails were conveyed by different agencies, as against about 169,000 miles during the previous year. 73 new motor lines were opened during the year, 44 of these being in the Bombay, Madras and Punjab and North-West Frontier Circles. The following figures give some idea of the volume of postal business transacted during the year:

Total estimated number of articles handled	1,220,138,000
Number of registered articles posted.	43,508,000
Number of insured articles posted	3,157,000
Value of insured articles posted	Rs. 955,965,000
Postage charges realised	Rs. 67,855,000
Number of money orders issued	43,496,000
Value of money orders issued	Rs. 816,975,000
Number of Indian postal orders sold	656,000
Value of Indian postal orders sold	Rs. 1,467,000
Value-payable post collections	Rs. 187,055,000

(Conditions of work in the Indian Posts and Telegraph Department during 1935-36 were reviewed at pages 24-26 of our February 1937 report.) +

Proposal for Minimum Salary of Rs. 25/- for
Municipal Employees, Bombay. +

The resolution of the Standing Committee of the Bombay Municipal Corporation recommending that sanction be given to the establishment schedule of the various departments being varied so as to admit of a minimum salary of Rs. 25 per month exclusive of benefits such as house rent allowance or the value of free quarters, being fixed for the different classes of municipal employees, excluding women, boys and men on daily wages, with effect from the year 1938-38, (vide page 11 of our January 1938 report) came up for consideration before the Municipal Corporation on 25-2-1938.

Mr. Sultan Chinoy, Chairman of the Standing Committee, moved a proposition in terms of the Committee's resolution. An amendment was moved to the effect that the question be referred back to the Standing Committee with a recommendation that the daily wages of municipal employees should be based on the minimum salary of Rs. 25 per month.

~~The~~ amendment was ~~referred~~ the

(The Times of India, 28-2-1938). +

Vetti (forced labour) in Godavari and Vizagapatam
Districts: Madras Government instructs its officers to prevent it.

The following information about the prevalence of certain forms of forced labour in some of the northern districts of Madras and the action taken by the Government to suppress ^{it} is taken from a press communiqué issued by the Government of Madras on 8-2-1938 (A copy of the communiqué has been forwarded by the Government of Madras to this Office.).

It has come to the notice of the Government of Madras that a system of labour called Vetti is being practised in certain parts of the districts of East Godavari and Vizagapatam. The Koyas in the Bhadrachalam taluk of the East Godavari District are engaged in Agency civil works and forest works for which they receive payment, as well as certain special privileges. In the Vizagapatam Agency in addition to the usual services rendered to touring officers and in executing Government works, for which payment at the market rate is made, it is reported that Vetti labour takes the form of domestic service to landowners ~~and others for which no payment or only inadequate payment is made.~~ The Government of Madras in its order No.1823, Revenue, dated the 1st September 1932, directed local officials to discourage the practice of this system of domestic service. Even though such service is not widely prevalent and no penalty is inflicted by the employer for refusal to do that service, Government considers that this form of domestic service for an inadequate wage is a form of serfdom which should no longer be tolerated. Officers under the several departments of Government are therefore directed to take all possible measures to ensure that this form of labour ceases. +

Grievances of Indian railway workers:
Mr. N. M. Joshi's cut motions in Central Assembly.

On 21-2-1938, Mr. N.M.Joshi, in the course of the discussion in the Central Assembly on the grants demanded in the Railway Budget for 1938-39, moved two token cut motions to direct attention to certain grievances of Indian railway workers.

Provident Fund for Railwaymen: The first cut motion directed attention to the urgent need for the provision of a provident fund in accordance with the recommendation of the Labour Commission, which suggested that such a fund should be compulsory, in the case of all employees drawing Rs. 20 and above per month and voluntary in the case of those drawing less than Rs. 20.

l.H. Sir Henry Gidney supported the motion.

24

Sir Thomas Stewart, the Communications Member, regarded Mr. Joshi's suggestion as Utopian and pointed out that it would cost Rs. 5 millions if the proposal were applied to all railways in India and Rs. 275 lakhs if applied to State-owned railways only. Expenditure on this item was unjustifiable when more important claims were waiting to be met, such as third class passengers' amenities.

The motion was rejected.

Non-Recognition of Unions: Moving the second cut, Mr. Joshi dealt at length with the grievances of railwaymen, such as the non-recognition of the B.N. Railway and B.B. and C.I. Railway Unions, irregularities in connection with the application of the Hours of Work regulations and contract work.

Mr. A.G. Clow replying to the criticism regarding hours of work, pointed out that an I.L. Convention had laid down that "the principle of a 60-hour week shall be accepted in such branches of railway work as may be specified by the competent authority." The Government had accepted the principle, and had passed the legislation embodying it, and ~~it~~ applied ~~to~~ to all except for four first class railway, to which extensions had to be made in future; but even here workmen already had not longer hours than the convention provided.

Sir Thomas Stewart, replying explained that there were three conditions on which a trade union could be recognised, namely, it should consist of a distinct class of Government employees, all employees of the same class must be eligible for membership, and the union should be registered under the Trade Union Act. A trade union which fulfilled these conditions but subordinated the interests of its members to the political ends of the organizers, might, however, have a chance of remaining unrecognized. As regards contract work, Sir Thomas said that railway engineers might be trusted to know whether it would ~~be~~ adversely affect engines.

The motion was rejected.

(The Statesman, 22-2-1938.) +

Minimum Wage of 3 annas per day for Khadi Spinners:

Congress Working Committee approves scheme of A.I. Spinners' Association. +

The Working Committee of the Indian National Congress adopted a resolution on 22-2-1938 approving a new scheme sponsored by the All India Spinners' Association for the benefit of Khadi Workers. The scheme provides for a minimum wage of 3 annas per worker for eight hours ~~in~~ work on the Charkha.

(The Amrita Bazar Patrika, 26-2-1938.).

Working Class Cost of Living Index Numbers for Various
Centres in India during November 1937. +

The cost of living index numbers for working classes in various centres of India registered irregular changes during November, 1937 as compared with the preceding month.

Bombay.- The index number (Base: year ending June 1934) of the cost of living for working classes in Bombay in November 1937 declined by 1 point to 107. The average in the year 1936 was 104.

Ahmedabad.- The index number (Base: year ending July 1927) of the cost of living in Ahmedabad in November 1937 rose by 1 point to 77; for 1936 the average was 71.

Sholapur.- The index number (Base: year ending January 1928) of the cost of living in Sholapur rose by 1 point to 73. The average for 1936 was 71.

Nagpur.- The index number (Base: January 1927) of the cost of living in November 1937 fell by 1 point to 65.

Jubbulpore.- The index number (Base: January 1927) of the cost of living in Jubbulpore in November 1937 rose by 3 points to 63.

(Extracted from the Monthly Survey of Business Conditions in India, November 1937 issue.)+

Bonus to form part of Wages: Bombay Government's
Circular to Employers. +

The Government of Bombay issued on 26-11-1937 a circular letter to owners of factories and other industrial establishments in the province coming under the purview of the Payment of Wages Act, drawing their attention to the definition of "wages" in the Act. The effect of that definition, it is explained, is to incorporate into wages any bonus that may be offered by the employer for good attendance, good work, good production, or matters of that kind. It is pointed out that this bonus becomes payable whether or not the conditions governing the earning of the bonus are fulfilled or not. For example, if an employer offers a good attendance bonus of Rs. 2 to every worker who puts in 24 out of 26 working days, he cannot confine the giving of that Rs. 2 only to those workers who put in regular

attendance. If there are 26 working days in a month and the wages of workers in a particular department are Rs. 24 a month, then if a bonus of Rs. 2 is offered for good attendance, the wages of each worker in that department automatically become Rs. 26. The actual amount payable will, of course, depend upon the number of days put in by each worker. A man who works the full month gets Rs. 26; the man who worked on 20 days would get $20/26$ ths, and so on. The same position arises if a bonus is offered for good work or good production. This would be payable to all workers, whether they turned out good work or bad work. The circular also states that the system whereby a worker who is absent on Saturday or Monday loses two days' pay is also illegal. Nor is it legal to have two rates of pay - one for "good" and one for "bad" work.

The Government has pointed out that the provisions of the Act would be strictly enforced from 1-1-1938 and has, therefore, asked the employers to take the necessary steps to deal with the question of bonus on the above lines.

Note: The Circular has been issued as the definition of 'wages' in the Payment of Wages Act has given rise to considerable difficulties. The underlying idea, as would appear from the report of the Select Committee on the Bill and the debates in the Legislature, in framing the definition as it is framed, was to ensure two things: (a) that bonuses should form part of wages and (b) that an employer should not be able to get over the Act by splitting up what was originally wages ~~into~~ into wages and bonus. On the other hand the view taken by the Bengal and Madras Governments is that, whatever the wording of the definition of 'wages' in the Payment of Wages Act, under no circumstances can a bonus become part of wages until it has been earned by fulfilling the conditions governing the offer of the bonus.

(Summarised from the ^{Bombay Government's} Circular, a copy of which was forwarded to this Office by the Commissioner of Labour, Bombay.)

Industrial Organisation.
Employers' Organisations.

15th Session of Upper India Chamber of Commerce:
Employer-employee relationships in U. P. +

The 15th session of the Upper India Chamber of Commerce was held at Cawnpore on 25-2-1938 with Mr. H.Horsman as President.

In his presidential address, Mr. Horsman dealt with the difficult problem of employer-employee relationships, and explained the employers' view-point. Below is a summary of the views expressed:-

The recent wave of labour unrest in Cawnpore and in other industrial centres is ascribable largely to the extravagant election promises of the Congress. These gave a free rein to the demands of left-wing elements in the Congress, who have no belief in parliamentary methods, but advocate Communist methods. There was need for changes, but changes should be brought about by evolutionary methods. As a last resort, labour had the right to strike; but much of the present labour unrest can be avoided by closer co-operation between employers and employees. He said; "I am therefore quite prepared to recognise a legitimate and responsible trade union of the right kind..... Such a trade union, if it is to be legitimate and genuine, must accept the principle of collaboration with the employer and co-operation with him on the basis of adjustment of rights coupled with the realisation that business can only function and continue provided there is present the incentive of gain and an appreciation of the fact that the worker is only entitled to the wages the industry as a whole can reasonably afford to pay." These were also the views of the recently started Employers' Association of Northern India whose members employed 85 per cent. of the workers of Cawnpore. Government and local bodies, apart from employers, also have considerable obligations in the matter of improving the conditions under which workers live and toil.

(The Leader, 27-2-1938.) +

Economic Conditions.

Budget of the Government of India, 1938-39. +

The Budget of the Government of India for 1938-39, excluding the Railways, was presented in the Legislative Assembly on 26-2-38 by Sir James Grigg, the Finance Member. It provides for a small surplus of Rs. '9 million, and contains no proposal for increased taxation, nor any relief from existing taxation.

1938-39 Budget. The financial position for 1938-39 is as follows:

Revenue	Rs. 859.2 million.
Expenditure..	...	Rs. 858.3 million.
		Surplus..... Rs. .9 million.

Revised Estimates, 1937-38.- The revised estimates for 1937-38 show a total improvement of Rs. 39 million in revenue, but as there is an increase of Rs. 32.2 million in expenditure, the net improvement is Rs. 6.8 million. The Budget estimates provided for a nominal surplus of Rs. .7 million after utilizing the whole of the Revenue Reserve Fund of Rs. 18.4 million, but only Rs. 10.9 million will now be required, and Rs. 7.5 million will be carried forward to 1938-39.

Economic Conditions.- The Budget discloses that the American economic recession is travelling eastwards, but it also indicates that the progress of economic recovery in India has not so far been seriously interrupted. Summing up the financial position, the Finance Member said that the Government of India had two main tasks in view-- the financing of the new constitution and the provision of money for rural development. The first, he observed, involves an anxious regard for the health of Central finances and also preparations for meeting smoothly the successive obligations which the new constitution entails. As regards rural development, he now recognised that the main responsibility for this has been entrusted to the provinces.

Items on the military side necessitating increased expenditure are the mechanisation of British cavalry regiments of the Indian army and of some Indian units, improvement of coast defences and the starting of a munition factory in India.

(The Gazette of India Extraordinary dated 26-2-1938 - pages 69-82). +

Railway Budget for 1938-39.

The Railway Budget for 1938-39 was presented in the Legislative Assembly on 14-2-1938 by Sir Thomas Stewart, Communications Member of the Government of India.

Outstanding Facts.- The Budget revealed an actual surplus of Rs. 27.5 millions in 1937-38 and an anticipated surplus of Rs. 25 millions in 1938-39; the actual surplus of 1936-37 was Rs. 12.5 millions. The surplus of Rs. 27.5 millions in 1937-38 will be handed over to the Central Government.

Employer-Employee Relationships.- The Communications Member, in his budget speech, referred briefly to employer-employee relationships on Indian railways and said:

"In the sphere of labour, the maintenance of harmonious industrial relations is of cardinal importance, and we, the largest individual employer of labour in India, have had under consideration for some time past the question of improving the machinery for the prevention and settlement of disputes on railways. This is a problem which was given prominence by the Whitley Commission, and it has been examined in the light of their views and in the light of discussions between the Railway Board and the All India Railwayman's Federation."

After referring to the appointment of Colonel Wagstaff as Conciliation Officer (vide p. 21 of our Nov. 1937 report), the Communications Member said: "It is our intention, after he (Col. Wagstaff) has completed his organisation, to establish an Industrial Advisory Board under the chairmanship of Sir Zahid Suhrawardy, to which the Conciliation Officer can refer important disputes which he has been unable himself to resolve." +

Social Conditions.

Liquor Bars to close on Mill Pay Day:

Bombay Government's Decision. ✓

The Bombay Government have decided that after 31-7-1938, when the present licences expire, all bars, liquor shops and toddy booths in Bombay City and Island shall be closed on the pay day fixed by the Millowners' Association, Bombay, for mills employing 1,000 or more workers, and the subsequent day. Fresh auctions will take place subject to this condition.

Licences for foreign liquor shops selling liquor either for spot or outside consumption, liquor stalls, refreshment rooms supplying toddy, tree-foot booths and country liquor shops in the city will be issued subject to this rule. The condition will be operative from August 1, from which ^{date} the "toddy year" begins.

This decision has been taken with a view to wean away mill operatives from drink. The Times of India dated 15-2-1938 in an editorial comment points out that the ban may tend to increase the consumption of methylated spirit and increase the use of drugs such as opium. It may also encourage millhands to spend in the end more money on drink since some of them may purchase and borrow to purchase in advance of the "dry" days foreign liquor to be kept in their quarters.

(The Times of India, 14 and
15-2-1938) ✓ +

Prohibition in Salem District: Beneficial

Effects on Mill Workers. ✓ +

One of the first acts of the Congress Ministry of Madras after taking up office in the latter half of 1937 was the passing of the Prohibition Act, 1937, which was applied in the first stage to Salem District. The following information regarding the effects of prohibition on workers and their families is taken from a press communique dated 26-2-1938 on the progress of the scheme of prohibition issued by the Government of Madras. (A copy of the press communique has been forwarded to this Office by the Government of Madras on 26-2-1938).

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According to the Managing Director of the Rajendra Spinning Mills, Ltd., Salem, the introduction ^{of prohibition} has had a most salutary effect on the 2,000 odd workers of the mill. The Managing Director reports:

"One of the difficulties in pre-prohibition days was that most of the workers were very irregular in their attendance, several machines having to be stopped during night shifts. A month after prohibition had been introduced, the attendance of the labourers had become regular and the required number of skilled labourers for the purpose of running the mill both night and day were available. In pre-prohibition days quarrels were frequent in the night, and the Managing Director never got an undisturbed night's rest, having frequently to get up and pacify fighting ~~the~~ labourers. These quarrels have now ceased and the machines are much better looked after. Production has increased and expenditure decreased. The outturn has actually doubled since prohibition came into force. Prohibition is particularly beneficial to the women in the mills. They were sickly, dirty and clad in rags; now every woman has two or three sarees, most of them have petty coats, and 50 per cent of them wash daily. Their financial position has also improved; they have redeemed their jewels which they mortgaged due to extravagance. Children are better clad and cleaner. Dwelling houses have improved and lights have been introduced into houses which were formerly unlit."

Sickness Insurance for Indian Workers:

No Legislation contemplated at present stage.* +

A summary of the proposals of the Government of India in regard to the implementing of the recommendations of the Whitley Commission on the institution of sickness insurance schemes in India, contained in a Circular Letter (No. L-3019 dated 30-4-1935) addressed to Provincial Governments, was given at pages 12 to 14 of our May 1935 report. The Government of India has now published in Bulletin form the views on the subject of the Provincial Governments, and its own conclusions. Below is given a brief summary of the conclusions of the Government of India:

History of the Question: In a preliminary survey of the question, the Government points out that the question of instituting sickness insurance schemes in India first came under the consideration of Government in 1927 in connection with the Draft Convention concerning sickness insurance for workers in industry, ~~commerce and agriculture~~, which the International Labour Conference adopted at its 10th Session. (A review of the action taken on these conventions (which were not ratified by India) is contained in the Report of the Royal Commission on Labour (pages 265-6) under the heading "International Labour Conventions").

Recommendations of Whitley Commission: The Commission discussed the whole question on pages 265-9 of their report and recommended (Recommendation No. 212) that all methods should be explored for alleviating hardship among workers arising from lack of provision for sickness. While putting forward proposals for a tentative scheme, they were of the opinion that the existing material was quite inadequate for the introduction of any complete scheme, and they recommended preliminary enquiries with the aid of a small Committee from the Central Legislature and thereafter statistical enquiries to be conducted, as the preliminary enquiries would be, with expert medical and actuarial assistance. Subsequently the results of the enquiries were to be submitted to a more formal Committee.

Decision to drop Statistical Enquiry: The Government of India discussed the possibility of implementing these recommendations with the Standing Advisory Committee of the Central Legislature. The idea of instituting detailed statistical enquiries on the basis of Experience Cards was abandoned as it was found that such procedure would entail labour and expense out of proportion to the value of the results that are likely

* Bulletins of Indian Industries and Labour. No. 63 - Sickness Insurance. Published by order of the Government of India - Manager of Publications, Delhi. Price Rs.1-2-0 or 2s. pp.129

to be achieved.

Consultation with Provincial Governments: The Government of India, therefore, felt that it would be better to pursue the idea of introducing in single establishments actual schemes, of the type envisaged by the Commission as "A Tentative Scheme" (pages 268-9 of the report), wherever medical facilities could be made available by Government, provided that ~~the~~ employers and workers were willing to contribute. The Government placed the matter before the Standing Advisory Committee on the 28th March 1935; the Committee approved the letter expressing the above views which was issued to local Governments on the 30th April 1935.

Views of Provincial Governments: (a) Statistical Enquiry: The Provincial Governments have expressed general agreement with the Government of India that ~~the~~ statistical enquiry would be too elaborate in character, besides being almost impossible to execute and, that even if it could be carried out, it would yield unreliable results which would not be commensurate with the time, trouble and cost involved. The Government of Bombay suggested that the Experience Cards maintained for the past few years might be tested in one or two industrial establishments of the Government of India; but the experience of only one or two Government industrial concerns could not furnish adequate statistical data for general application, and with Government employees ~~the comparison~~ would be further vitiated by the fact that they are a selected class chosen after a preliminary medical examination. The Government of India therefore considers that further statistical enquiries are not likely to lead to any useful result.

Initiation of Small Schemes: With regard to the suggestion for building on actual experience of small schemes, the replies generally agree that this is a sounder method than a general statistical enquiry, but the provincial Governments point out that no experience is available on which to build. They have only been able to furnish details of 14 schemes in actual operation. The benefits provided in them vary from the mere provision of medical aid and medicine, to payment of a proportion of wages for an indefinite period during sickness. In some cases other benefits such as funeral expenses, temporary loans, and lump-sum payments for births and deaths are given. There are so few schemes in operation and even in them so much variety in the nature of the benefits given that these schemes cannot be used as a basis for conclusions about the incidence of cost of a sickness insurance scheme for any class of workers in India.

Difficulties in Introducing Schemes: As regards initiating experiments with small schemes applicable to individual establishments, it has been urged that even these would require some preliminary statistical investigation and that the migratory habits of labour introduce a very uncertain factor into the calculations. Provincial Governments are not hopeful of being able to persuade employers to embark upon experimental schemes in the present conditions of industry and with the present wage position the workers are not likely to show much readiness to join contributory schemes. Only two such voluntary schemes for sickness benefits

have been discovered, and it is noteworthy that in that one of them for which full details are available only 37 out of 7,286 workers have agreed to contribute, ~~to it~~. Nor are provincial Governments themselves able to face expenditure on the administration of such schemes, or on the provision of extra medical facilities for a special class of the population in urban areas which are already more liberally provided with them than rural areas, and in any case the practical difficulties of associating medical relief with the payment of such benefit are considered to be almost insuperable. To start experimental schemes in factories under the control of the Government of India, as suggested by one provincial Government, would serve no purpose in this connection since employees in Government factories generally are/ready much better treated under the ~~max~~ service rules than they could hope to be under any general scheme of sickness insurance. Further, experience derived from a selected class of employees would not be of use for general application.

Final Conclusion: No action contemplated at present: At the present moment, there is, therefore, a lack of real demand for ~~an~~ experimental schemes on the part of provincial Governments and employers and, indeed, from workers if the schemes are to involve contributions from them. But schemes can be started by employers where conditions are favourable on the empiric lines suggested by the Commission and the Payment of Wages Act makes it possible to deduct contributions from wages for sound schemes. ~~The powers of the Government of India are limited to legislation and as no provincial Government is in a position at present to take up the problem on general lines it cannot take any further action at this stage on this question.~~

(A copy of the Government of India Bulletin: "Sickness Insurance" (No. 63 of the Indian Industries and Labour) was forwarded to Geneva with this Office's minute D.1/392/38 dated 24-2-1938.)†

Efforts to reduce House Rents in Bombay:

The Bombay Rent Bill, 1938. +

Leave was granted on 17-1-1938 to Mr. S.C.Joshi to introduce in the Bombay Legislative Council a Bill to regulate the rents of premises in the Bombay Presidency (The Bombay Rent Bill, 1938 - Legislative Council Bill No.1 of 1938). Below is given a brief account of the conditions necessitating such a Bill and a summary of its provisions taken from the statement of objects and reasons:

Previous Legislation.- The Bombay Rent Acts Nos. II and VII of 1918 were passed at a critical time when the purchasing and spending power of the people of Bombay City had been considerably reduced and when the house-rents used to absorb most of the rise in wages. The urgency and necessity of a Rent Act, it is pointed out, are greater in 1938 than during the period 1918-1928. During recent years, on account of trade depression with its usual consequences - acute unemployment, lower wages, keen competition, etc., - the condition of the lower and the middle classes has become very miserable.

Acute Housing Shortage.- While economic conditions have deteriorated, it is pointed out that the inadequacy of the housing accommodation in the City of Bombay is more acute than ever before. While in 1921, about 64 per cent of the population lived in one-roomed tenements, in 1931 the percentage rose to 67. The 1931 census report records "there is no improvement in lowering of the density of population in the over-crowded localities." The smaller tenements which experienced a heavy increase in rental immediately after the expiry of the Rent Act in 1928, have continued to be heavily rented and the percentage of rent paid by middle and the lower classes to their wages, it is pointed out, is perhaps more today than what it was in the boom-period before and during 1918-1928 when the Rent Act was in force.

Main Provisions of the Bill.- The Bill is largely drafted on the lines of the Bombay Rent Acts Nos. II and VII of 1918. Unlike those Acts, however, the present Bill applies only to premises the rent of which does not exceed Rs. 200 per month. It applies in the first instance to the City of Bombay and the municipal and notified areas in the Bombay Suburban and Thana Districts. It is intended to remain in force only for five years.

Restriction on Increasing Rents: Standard Rent to be fixed.- A special and simpler procedure is laid down in fixing the standard rent of small premises (that is premises the rental of which does not exceed Rs. 50 a month) than other premises. The standard rent is defined in the case of premises other than small premises, as rent which shall be less by 25 per cent. than the rent at which the premises were let on 1st January 1936 or shall be first let between this day and the

day of the commencement of the operation of this Bill when it becomes law; and in the case of small premises as rent fixed by the controller appointed for this purpose, having regard to the provisions of this Bill. Any rent above the standard rent is made irrecoverable in the case of small premises; and in others except for improvements, etc.

Other Provisions.- The payment of fine or premium in consideration of grant, renewal or continuance of any tenancy is made illegal and provision is made for recovery of such payment. The Bill provides for the recovery of rent which should not have been paid and fines and penalties are imposed for recovering excess rent and disturbance of easements. The interest of the tenant as against the landlord is also secured by laying down that rents shall be fixed according to the Gregorian calendar only. Advance recovery of rent and deposit in excess of a month's rent are prohibited.

(Summarised from text of Bill published at pages 217-235 of Part V of the Bombay Government Gazette dated 31-1-1938).+

Housing of Bombay Workers:
Government appoints Committee. +

A committee to deal with the problem relating to the housing of labour in Bombay has been appointed by the Government of Bombay with the Hon. Mr. B.G.Kher, Premier, as Chairman. The members of the committee are the Hon. Mr. M.Y.Nurie, Minister for Public Works, and Mr. Gulzarilal Nanda, Parliamentary Secretary for Labour. The Executive Engineer, Presidency Division, will be Secretary to the Committee. The Government considers that the Development Department chawls can be utilised to solve the problem if they are suitably altered.

(The Times of India, 5-2-1938).
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Labour Welfare Work in Cawnpore;

Grant of Rs. 10,000/- by U. P. Government.

The Government of the United Provinces has recently sanctioned a grant of Rs. 10,000/- for labour welfare work in Cawnpore.

A beginning has already been made in connection with this work by the non-official Advisory Committee appointed for the purpose, and four welfare centres have been opened in important mill labour areas. The work of each centre is controlled by a paid organizer and a paid assistant. At present each welfare centre has an allopathic dispensary with a whole-time compounder and a part-time qualified doctor in charge. A reading room, a library and a gymnasium are also attached to each centre and it is intended to organize sports, picnics, and other entertainments for the benefit of workers.

As a result of a representation made by the Welfare Advisory Committee, the Cawnpore Municipal Board recently passed a resolution sanctioning a sum of Rs. 500 per month for the distribution of milk to working class children and for the supply of warm clothing to working class women. It is expected that the money will be available from the next financial year (1-4-1938 to 31-3-1939)..

Wardha Education Scheme: Discussed by Central Advisory
Board of Education.

The problem of educational reconstruction as suggested in the Abbott-Wood Report on Vocational Education in India (vide pages 84-86 of our July 1937 report) and the Wardha Educational Scheme (vide pages 33-34 of our January 1938 report) was one of the main subjects of deliberation by the Central Advisory Board of Education which met in New Delhi on 28-1-1938.

Vocational Education.- In 1935 the Board passed a series of important resolutions suggesting a radical reform of the present system of education so that, apart from providing instruction which would lead to universities and to professional colleges, the system might have stages at the end of which students could branch off either to occupations or to vocational schools. The Board had also suggested that expert advice would be of value in organizing a scheme of reconstruction (vide pages 56-58 of our December 1935 report).

The Abbott-Wood Report.- The Government of India in consultation with the Provincial Governments, accepted this suggestion and the services of two experts - Mr. A. Abbott, C.B.E., formerly Chief Inspector of Technical Schools, Board of Education, England, and Mr. S.H. Wood, M.C., Director of Intelligence, Board of Education, England - were obtained for this purpose. As these experts considered that an intensive study of a limited area would be more profitable than a necessarily cursory survey of the greater part of British India, they limited their investigation mainly to three provinces, viz., the United Provinces, the Punjab and Delhi, although they discussed their problems with administrators, teachers and others concerned with education from practically every province.

Sub-Committee to consider Wardha Scheme.- The Abbott-Wood Report was considered by the Board at its meeting held on 28-1-1938 and in connection with it the Wardha educational scheme ~~about~~ ~~was~~. After a general discussion, the Board appointed a sub-committee consisting of the following members with powers to co-opt, to examine the scheme of educational reconstruction incorporated in the Wardha Scheme in the light of the Wood-Abbott Report and other relevant documents, and to make recommendations:-

The Hon'ble Mr. B.G. Kher, Premier and Education Minister, Bombay, Chairman; The Hon'ble Dr. Syed Mahmood, Minister for Education, Bihar; The Hon'ble Pandit R.S. Shukla, Minister for Education, Central Provinces; Lady Grigg; Rajkumari Amrit Kaur; Dr. Sir Zia-ud-Din Ahmad, M.L.A., Vice-Chancellor, Aligarh, Muslim University; Mr. J.E. Parkinson, Educational Commissioner with the Government of India, Mr. R.M. Statham, C.I.E., Director of Public

Instruction, Madras; Mr. W. H. F. Armstrong, Director of Public Instruction, Punjab; Mr. Syamaprasad Mookerjee, Vice-Chancellor, Calcutta University; Dr. Zakir Husain, Principal, Jamia Millia Islamia, Delhi; Khan Fazl Mohammad Khan, Director of Public Instruction, Hyderabad State.

After the Sub-Committee has reported, the Board will consider the recommendations made and the action which should be taken on these recommendations.

Control of Primary Education.- Another subject of considerable importance that engaged the attention of the Board was the problem of administration and control of primary education. At its second annual meeting held in 1936, the Board had decided to refer this question to its Vernacular Education Committee. This sub-committee reported that there was need of more efficient administration and control of primary education and that, inter alia, the Government should take over the control from local bodies. After a general discussion, the Board decided that a copy of the report should be forwarded to Provincial Governments for consideration and such action as they might consider necessary.

National Centre of Educational Information.- Among the other subjects considered was the formation of a National Committee of Intellectual Co-operation in India. A communication had been received from the organisation of the League of Nations for Intellectual Co-operation regarding the establishment of such a body in India. The Board decided that it should itself function as a National Centre of educational information in India whilst the Inter-University Board should act as the national committee on matters concerning higher education.

(Summarised from an Unofficial Note dated 3-2-1938 issued to the press by the Director of Public Information with the Government of India.) +

40

Maritime Affairs.

Government of India Canvasses views on Hours
of Work and Wages of Indian Seamen. +

On 8-12-1937 the Government of India (Department of Commerce) despatched to provincial Governments a circular letter forwarding copies of the Draft Convention and Recommendation on the subject: "Hours of Work and Manning" adopted at the 21st (Maritime) Session of the I.L. Conference (October 1936), reviewing the past discussions on the question of the hours of work for seamen, and recording its (Government of India's) conclusion that the provisions of the Convention had not been framed with due reference to the conditions in India, and were therefore not suitable for application to India at present.

The letter pointed out that as the Convention was unlikely to be ratified in the immediate future by Great Britain, its ratification by India would have the effect of introducing for Lascars shorter hours ^{than} even ~~than~~ those applying to British seamen with whom they mainly come into competition. In the circumstances, ~~the Government expressed the view that the question should be~~ postponed for a decision until such time as Great Britain ratified the Conventions and applied its provisions to British seamen.

Regulation of Hours without ratifying Convention.- While declaring itself against immediate ratification of the Draft Convention on Hours of Work of Seamen, the Government of India felt, especially in view of its undertaking to propose a reduction in the working hours of Indian seamen if ~~the~~ hours of work are reduced for seamen generally, that the time had come to attempt some regulation of the hours of work of Indian seamen. In this connection the Government of India were advised that the hours of work prescribed for British seamen by the National Maritime Board Agreements - which apply only to foreign-going ships - were suitable for Indian seamen and might be adopted subject to suitable modifications, where necessary, without having an adverse effect on the opportunities of employment for Indian seamen; and the Government of India thought that the working of these agreements would afford experience which might be useful in connection with the ratification of the Convention at a future date. Before proceeding further in the matter, however, the Government of India were desirous of obtaining the views of those likely to be affected by these proposals, and they desired also to receive suggestions in regard to (a) a suitable tonnage limit for the classes of ships to which the proposed regulations should be made applicable, and (b) regarding the scale of overtime wages to be applied to Indian seamen. As regards (b) the Government of India suggested that the over-
time

might be expressed as a percentage of the regular wage, having regard to the fact that the wages of lascars are not regulated by law, but are left to be settled between employers and crew at the time of engagement.

Views of Bengal Chamber of Commerce: No Regulation of Hours and no Scale for Overtime needed.- Consulted with regard to its views on the subject, the Committee of the Bengal Chamber of Commerce, expressed itself against the ratification of the Convention and disagreed with the Government's view that there was need for regulation of hours of Indian seamen. The following, is a summary of the Chamber's views:

The Draft Convention on Hours of Work and Manning, is not in the best interests of Indian seamen and, if applied to lascars, would result in more hardship than gain, as it would become increasingly difficult for lascars to obtain employment owing to their inferior physique and lower level of education. The Chamber Committee do not agree with the Government of India's view that the time has come to attempt some regulation of the hours of work of Indian seamen, as these hours of work compare favourably with those of other nations. Whilst holding this view, the Chamber Committee have the following comments to offer ~~in regard to queries (a) and (b):~~

No tonnage limit.- If changes are introduced, then it is ~~considered that these~~ should apply to all classes of ships, and that there should be no tonnage limit, as it very often happens that the lascars on smaller ships, calling at a number of ports, have to work harder than those on larger vessels proceeding on long distances involving no ~~inter~~ intricate navigation.

No need for Overtime Scales.- No scale of overtime should be fixed and no overtime should be necessary. At the present time, the usual practice is for off time to be allowed to men when they have to work extra hours when arriving or leaving port or for other reasons. The Chamber points out that it is true up to a point, that wages of lascars are left to be settled between the employers and the crew at the time of engagement; but in most ports there is a recognised minimum scale which is well-known to both parties. It is also pointed out that, even in Great Britain, seamen's wages are not regulated by law but by agreement between the parties interested.

(Summarised from a Note on the subject published in the Abstract of Proceedings for December 1937 of the Bengal Chamber of Commerce, Calcutta.) +

General.

51st Session of Indian National Congress-
Haripura, February 1938.

The 51st Session of the Indian National Congress was held from ~~17~~¹⁹ to 21-2-1938 at Haripura, a village in Bardoli Taluka, Gujerat, under the presidentship of Mr. Subash Chander Bose. This was the second village session of the Congress, a new move indicating more complete identification with rural India.

Presidential Address.- The following are the main points brought out in the presidential address delivered by Mr. S.C. Bose:

Capitalism must go.- Referring to the need for a socialist base for the future India, he said: "There is an inseparable connection between the capitalist ruling classes in Great Britain and the colonies abroad. As Lenin pointed out long ago, "reaction in Great Britain is strengthened and fed by the enslavement of a number of nations." ~~The British aristocracy and bourgeoisie exist primarily because there are colonies and overseas dependencies to exploit.~~ The emancipation of the latter will undoubtedly strike at the very existence of the capitalist ruling classes in Great Britain and precipitate the establishment of a socialist regime in that country. It should therefore be clear that a Socialist order in Great Britain is impossible of achievement without the liquidation of colonialism. We therefore are incidentally fighting for the economic emancipation of the British people as well."

Planned Economic Progress.- After referring to the dangers entailed by the too rapid increase of the Indian population, he dealt with economic reconstruction, and said: "Our principal problem will be how to eradicate poverty from our country. That will require a radical reform of our land-system, including the abolition of landlordism. Agricultural indebtedness will have to be liquidated and provision made for cheap credit for the rural population. An extension of the co-operative movement will be necessary for the benefit of both producers and consumers. Agriculture will have to be put on a scientific basis with a view to increasing the yield from the land."

State-owned and Controlled Industries.- "To solve the economic problem, agricultural improvement will not be enough. A comprehensive scheme of industrial development under state-ownership and state-control will be indispensable. A new industrial system will have to be built up in place of the old one which has collapsed as a result of mass production abroad and alien rule at home. The planning commission will have to consider carefully and decide which of the home industries could be x

revived despite the competition of modern factories, and in which sphere, large scale production should be encouraged. However much we may dislike modern industrialism and condemn the evils which follow in its train, we cannot go back to the pre-industrial era, even if we desire to do so. It is well therefore that we should reconcile ourselves to industrialisation and devise means to minimise its evils and at the same time explore the possibilities of reviving cottage industries where there is a possibility of their surviving the inevitable competition of factories. In a country like India, there will be plenty of room for cottage industries, especially in the case of industries including handspinning and weaving allied to agriculture."

Socialising Industry and Agriculture.- "Last but not least, the State, on the advice of a planning commission, will have to adopt a comprehensive scheme for gradually socialising our entire agricultural and industrial system in both the spheres of production and appropriation. Extra capital will have to be procured for this, whether through internal or external loans, or through inflations.

Relations with A.I.T.U.C. and Kisan Sabhas.- Dealing with the relations of the Congress with the All India Trade Union Congress and the Kisan Movement, he said: "There are two opposing schools of thought on this question - those who condemn any organisations that are outside the Congress and those who advocate them. My own view is that we cannot abolish such organisations by ignoring or condemning them. They exist as objective facts and since they have come into existence and show no signs of liquidating themselves, it should be manifest that there is an historical necessity behind them. Such organisations should not appear as a challenge to the National Congress which is the organ of mass struggle for capturing political power. They should, therefore, be inspired by Congress ideals and methods and work in close co-operation with the Congress. To ensure this, Congress workers should in large numbers participate in trade union and peasant organisations. Co-operation between the Congress and the other two organisations would be facilitated if the latter deal primarily with the economic grievances of the workers and the peasants and treat the Congress as a common platform for all those who strive for the political emancipation of their country."

Collective Affiliation of Workers' Organisations.- On this point he said: "The day will come when we shall have to grant this affiliation in order to bring all progressive and anti-imperialist organisations under the influence and control of the Congress. There will, of course, be difference of opinion as to the manner and the extent to which this affiliation should be given and the character and stability of such organisations will have to be examined before affiliation could be agreed to. In Russia, the United Front of the Soviets of workers, peasants and soldiers played a dominant part in the October Revolution - but, on the contrary, in Great Britain we find that the British Trades Union Congress exerts a moderating influence on the National Executive of the Labour Party. In India we shall have to consider care-

44

fully what sort of influence, organisations like the Trade Union Congress and the Kisan Sabhas will exert on the Indian National Congress in the event of affiliation being granted, and we should not forget that there is the possibility that the former may not have a radical outlook if their immediate economic grievances are not involved. In any case, quite apart from the question of collective affiliation, there should be the closest co-operation between the National Congress and other anti-Imperialist organisations and this object would be facilitated by the latter adopting the principles and methods of the former."

New Working Committee -1938.- The following 14 persons will constitute the Working Committee, or the Cabinet, of the Congress for 1938:

Mr. Subhas Chandra Bose, Mr. Vallabhbhai Patel, Pandit Jawaharlal Nehru, Khan Abdul Gaffar Khan, Maulana Abul Kalam Azad, Babu Rajendra Prasad, Mrs. Sarojini Naidu, Mr. Bulabhai Desai, Seth Jammalal Bajaj, Dr. Pattabhi Sitaramayya, Mr. Sarat Chandra Bose, Mr. Jairamdas Doulatram, Acharya Kripalani and Mr. Hari Krishna Mehta. Seth Jammalal Bajaj will continue to be the treasurer and Acharya Kripalani the General Secretary.

Resolutions Adopted.- The Congress Session concluded on 21-2-1938 after adopting a number of resolutions, the more important of them being these relating to: (1) the Ministerial crisis in U.P. and Bihar, (2) The Federal Constitution, (3) Indian States, (4) the Kisan Movement, (5) rights of minority communities, (6) national education, (7) foreign policy and war danger, (8) Indians overseas, (9) Indian labourers in Ceylon, (10) Indians in Zanzibar, (11) Discriminatory legislation in Kenya, (12) Excluded Areas, etc. Below are given extracts from the more important resolutions:

1. Federation.- The Congress has rejected the new Constitution and declared that a constitution for India which can be accepted by the people must be based on independence and can only be framed by the people themselves by means of a constituent assembly. The Congress is not opposed to the idea of Federation, but a real Federation must, even apart from the question of responsibility, consist of free units enjoying more or less the same measure of freedom and civil liberty and representation by democratic process of election. Indian States participating in the Federation should approximate to the provinces in the establishment of representative institutions, responsible Government, civil liberties and the method of election to the Federal House. The Congress therefore reiterates its condemnation of the proposed Federal scheme and calls upon

45

provincial and local Congress Committees and the people generally, as well as provincial Governments and Ministries, to prevent its inauguration.

2. Congress Ministries.- The Congress welcomes the formation of Congress Ministries in seven provinces and appreciates the work done by them in the face of the difficulties inherent in the situation. The Congress fully appreciates that under the present constitution, British Imperialism is entrenched and preserved and popular ministries are restricted and circumscribed and are unable to tackle effectively the grave problems that demand solution. For a proper solution of these problems the present constitution must be removed and replaced by a constitution of an independent India, framed by Indian people and allowing full scope for their advancement.

Meanwhile, the Congress Ministries must make every effort to give effect to the Congress programme as given in the election manifesto. The Congress has permitted formation of Ministries by Congressmen with a view to strengthening the people and hastening their march to the goal of independence. This objective must, therefore, always be kept in view in all the activities inside legislatures as well as outside, and it must further be remembered that the work outside the legislature is a vital part of the Congress programme. The Congress trusts that there will be full co-operation between Congress Ministries and Congress organisations and people generally so that the national movement may be co-ordinated in all its phases and may grow in strength. For the success of the work inside as well as outside legislatures, discipline and an atmosphere of non-violence are necessary.

3. Indian States.- The Congress stands for full responsible Governments and the guarantee of civil liberty in the States and deplors the present backward conditions and utter lack of freedom and suppression of civil liberties in many of these States. The Congress considers it its right and privilege to work for the attainment of this objective in the States, but under the existing circumstances the Congress is not in a position to work ~~with~~ effectively to this end within the States, the numerous limitations and restrictions imposed by the rulers or by the British authority working through them hamper its activities. It is not in consonance with the dignity of the Congress to have local committees which cannot function effectively or to tolerate indignity to the national flag.

The Congress, therefore, directs that for the present no Congress Committee be established in an Indian State and that the internal struggles of the people of the States be not undertaken in the name of the Congress. For this purpose, independent organisations should be started or continued where they exist already within the States. The people of the States may, however, become Congress primary or elective members, but the Committee of which they are members must be situated outside the States.

4. National Education.- The Congress is of opinion that for primary and secondary stages, basic education should be imparted in accordance with the following principles: (1) Free and compulsory education should be provided for seven years on a nation-wide scale. (2) The medium of instruction must be the mother-tongue. (3) Throughout this period, education should centre round some form of manual and productive work and all the other activities to be developed or the training to be given should as far as possible be integrally related to a central handicraft, chosen with due regard to the environment of the child.

Accordingly an All-India Education Board to deal with this basic part of education should be established, and for this purpose, authorises Dr. Zakir Hussain and Mr. E. Aryanayakam to take immediate steps under the advice and guidance of Gandhiji to bring such a Board into existence in order to work out a programme of basic national education and to recommend it for acceptance to those who are in control of State or private education.

5. Kisan Sabhas.- In view of certain difficulties that have arisen in regard to Kisan Sabhas and other organisations in some parts of India, the Congress desires to clarify the position and state its attitude in regard to them.

The Congress has already fully recognised the right of kisans to organise themselves in peasant unions. Nevertheless it must be remembered that the Congress itself is in the main a kisan organisation and as its contacts with the masses have increased, vast numbers of kisans have joined it and influenced its policy. The Congress must and has in fact stood for these kisan masses and championed their claim and has worked for the independence of India, which must be based on freedom from exploitation of all our people. In order to achieve this independence and strengthen kisans and realise their demands, it is essential that the Congress be strengthened and that kisans should be invited to join it in ever larger numbers and organised to carry on their struggle under its banners. It is thus the duty of every Congressman to work for the spread of the Congress organisation in every village in India and not to do anything which weakens this organisation in any way.

While recognising the right of the kisans to organise kisan sabhas, the Congress cannot associate itself with any activities which are incompatible with the basic principles of the Congress and will not countenance any activities of those Congressmen who, as members of kisan sabhas, help in creating an atmosphere hostile to Congress principles and policy. The Congress, therefore, calls upon Provincial Congress Committees to bear the above in mind and in pursuance of it take suitable action wherever called for.

6. Indian Labourers in Ceylon.- The Congress is deeply concerned over threatened estrangement of feelings between the people of Ceylon and the Indian population in the island consequent on certain legislation in regard to local administration and apprehensions as to discriminatory measures that may

further be taken. The Congress urges on the Government of Ceylon and her public men not to adopt any policy directly or indirectly aimed at discrimination as against Indians living and carrying on their avocations in Ceylon. In particular, the Congress notes with regret that laws have been recently framed so as to deny to the Indian labourers, who have helped and are helping in the development of the resources of the island, franchise in local administration and make Indian residents apprehend further restrictions on their civil rights and to feel that they are to be relegated to an inferior political status. The Congress hopes that such measures will not be undertaken and that any legislation that has created such feeling will be so modified as to make India feel that, in spite of being under separate Governments, Ceylon and India are one and inseparable in so far as the people are concerned.

7. Indians in Zanzibar.— The Congress expresses its appreciation of the response of the Indian people to the appeal made on behalf of the Congress to refrain from the use of cloves and that their boycott of trade in cloves has been complete and satisfactory. The Congress congratulates Indians in Zanzibar and clove merchants in India on the manner in which they have maintained this boycott. The Congress, however, regrets that ~~the question of the rights of Indians in Zanzibar regarding~~ ^{internal} and export trade has not yet been satisfactorily solved. The Congress repeats its request to the Indian people to continue the ~~disuse of cloves and~~ press upon the attention of the merchants the desirability of continuing the boycott of trade in cloves, and trusts that by these measures the Zanzibar Government would be compelled to rescind the objectionable decrees.

8. Discriminatory Legislation in Kenya. — The Congress has learnt with regret that the Government of East Africa are once again making aggressive inroads on the rights of Indians settled in Kenya and protests against this policy of continuous injustice to Indians in East Africa. While realising that full justice and equality of rights and citizenship will not be acquired until India attains complete independence, this Congress protests against the inequitable legislation relating to the reservation of Highlands in Kenya as the monopoly of the white population in Kenya. The Congress trusts that the British Government will recognise that even now it is not too late to call upon the Government of Kenya not to embark on ~~such~~ a course of wanton spoliation and the degrading discriminatory legislation and orders by which the rights of Indians are being sacrificed.

The Times of India, 18 to 22-2-38,
& the Hindu, 18 to 22-2-1938.