

INTERNATIONAL LABOUR OFFICE

INDIAN BRANCH

Industrial and Labour Developments in October, 1947.

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

Contents.

Pages

1. INTERNATIONAL LABOUR ORGANISATION.-

Preparatory Asian Regional Conference, New Delhi,
27 October to 8 November, 1947.

1-2

2. NATIONAL LABOUR LEGISLATION.-

INDIA

Assam:

Assam Industrial Disputes Rules, 1947: Draft.

3

Bengal:

Draft Amendment to Bengal Industrial Disputes
Rules gazetted: Procedure for setting up
Works Committees.

3

Madras:

(a) Electric Railway Services, Motor Transport
Services and Cotton Textiles Industry declared
"public Utility Services" under Industrial
Disputes Act 1947.

4

(b) Employment of Children as Cleaners in Motor
Transport Workshops prohibited: Addition to
Schedule to Employment of Children Act.

4

(c) Amendment to Payment of Wages (Railways) Rules
1937: Scope Extended to Contractors' Labour.

4

United Provinces:

United Provinces Industrial Disputes Bill, 1947:
Ordinance to be replaced by Act of the Legislature.

5

PAKISTAN

Sind:

Amendments to Sind Factories Rules gazetted:
Improved washing facilities and exemptions from
Hours of Work Restrictions.

6

3. SOCIAL POLICY.-

(a) Tripartite Conference for Plantations Industry
to be convened early in 1948.

7

(b) Meeting of Bombay Provincial Labour Advisory Board,
Poona, 15-10-1947: Mr. Nanda urges Employers to
co-operate with Labour.

7-8

Contents.

Pages.

4. CONDITIONS OF WORK.-

Industrial Health and Safety:

New Factories should be constructed in accordance with revised (proposed) provisions of Factories Act: Madras Government warns Industrialists.

9

Wages:

Rates fixed for handloom weavers' wages in Madras.

10

Industrial Disputes:

(a) Non-Compliance with Tribunals' Awards: Madras Government warns Employers.

11

(b) Ceylon Public Servants allowed to form Unions based on Whitley Councils.

11

Welfare:

Welfare Trust Funds for Industrial Employees: Employers' Views.

12

General:

Central Provinces

(a) Colliery Workers in ~~Assam~~ to get Higher Wages and Dearness Allowance and Provident Fund Benefits: Fact Finding Committee's Recommendations.

13-14

(b) Agreement regarding service conditions between Maritime Union of India and Scindia Steam Navigation Company: Hours of Work, Overtime Pay etc. according to Seattle Conventions.

14-15

5. ECONOMIC CONDITIONS.-

(a) Inaugural Meeting of Indian Rubber Board, New Delhi, 4-9-1947.

16-17 ✓

(b) Indian Sugar Industry during 1946-47: Sugar Mills' Association's Review.

17-18 ✓

(c) Bihar Legislature approves Damodar Valley Project.

18

(d) Indian Oilseeds Committee inaugurated, New Delhi, 16-10-1947.

19-20

(e) Colliery Owners urge 25% cut in Production: Breakdown of Transport.

20-21

(f) Urgent need to increase Production in India: Mr. Master suggests Tripartite Conference.

21

(g) Madras Government to proceed with huge Godavari Irrigation Project.

22

6. SOCIAL INSURANCE.-

Health Insurance for Workers: Special Officer to investigate Facilities for Medical Care in Bombay.

23

7. MIGRATION.-

Indians in Burma: Burma Government clarifies Policy.

24

| <u>Contents.</u> | <u>Pages.</u> |
|---|---------------|
| 8. <u>AGRICULTURE.</u> | |
| (a) Madras Government publishes Bills to acquire Landlord Estates and to reduce Rents. | 25-27 |
| (b) Bombay Fragmentation (Prevention) and Consolidation of Holdings Bill, 1946: Assembly passes Measure. | 28 |
| (c) Government Farms in Madras: Farmers to be shown round. | 28 |
| (d) Measures to Promote Better Farming in Bombay: Agricultural Department Reorganised. | 28-29 |
| (e) Bombay Warehouses Bill, 1947: Attempt to facilitate storing and Marketing of Agricultural Produce. | 29 |
| (f) Zamindari System to be abolished in Bihar: Bihar State Acquisition of Zamindaris Bill, 1947, referred to Select Committee. | 30 |
| 9. <u>NAVIGATION.</u> | |
| Indian Shipping agreement: Indian Vessels to participate in Overseas Trade. | 31 |
| 10. <u>PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS.</u> | |
| (a) Low-paid Government Servants in East Punjab to get Higher Rates of Dearness Allowance. | 32 |
| (b) Bombay Government Staff Federation: Terms for Recognition announced. | 32 |
| (c) Cost of Living Allowances for Madras Gazetted Officers revised. | 33 |
| (d) Pay Committee appointed by Government of Orissa. | 33 |
| (e) Service Grievances of Burma Government Employees: Standing Joint Board Appointed. | 34 |
| 11. <u>NATIVE AND COLONIAL LABOUR.</u> | |
| Welfare of Aboriginal Tribes in Future Indian Union: Sub-Committee's Recommendations. | 35 |
| 12. <u>ORGANISATION, CONGRESSES, ETC.</u> | |
| <u>Employers' Organisations:</u> | |
| (a) Annual Report of the Employers' Association of Northern India for 1946. | 36-38 |
| (b) Special Session of All-India Manufacturers' Organisation, Bombay, 28-10-1947: Suggestions for better Administration of Controls over Raw Materials. | 38-39 |
| <u>Workers' Organisations:</u> | |
| (a) Conference of Workers in Engineering Industry in Bengal: Decision to set up Engineering Workers' Federation. | 40 |
| (b) Mysore Railway Workers call off strike: Agreement reached on Basic Demand. | 41 |
| (c) Dr. Banerjee resigns Presidentship of Indian National Trade Union Congress: Mr. Harihar Nath Shastri elected President. | 41 |
| (d) Threat to Trade Unionism in Malaya: Recent Adverse Judicial Decisions. | 42 |

| <u>Contents.</u> | <u>Pages.</u> |
|---|---------------|
| 13. <u>SOCIAL CONDITIONS.-</u> | |
| (a) Greater Bombay Social Welfare Conference, Bombay, 25 and 26-10-1947: Demand for Separate Ministry for Social Security and Welfare. | 43 |
| (b) Women and Children Welfare Board set up in Burma. | 44 |
| 14. <u>PUBLIC HEALTH.-</u> | |
| Conference of Madras Provincial Rural Medical Practitioners' Association, Madras, 13 and 14-9-1947: Medical Aid for Villages urged. | 45-46 |
| 15. <u>EDUCATION.-</u> | |
| (a) Bombay Primary Education Bill, 1947, passed by Legislative Assembly: Provision for Free Compulsory Education for Children between six and Fourteen Years. | 47-48 |
| (b) The Assam Primary Education Act, 1947, gazetted: Provision for Compulsory Primary Education. | 48-49 |
| 16. <u>THE TRANSITION FROM WAR TO PEACE.-</u> | |
| <u>Control Measures:</u> | |
| U.P. Prevention of Black Marketing (Temporary Powers) Bill, 1947, gazetted. | 50 |
| <u>Food:</u> | |
| Government of India set up Food-grains Policy Committee to review Food Policy. | 51 |
| <u>Post War Reconstruction:</u> | |
| (a) Preliminary Report of Industrial Planning Committee, Madras: Plea for Industrial Planning by Provinces. | 52-57 |
| (b) Industrial Schemes of United Provinces Government: Minister's Press Conference. | 58 |
| (c) Bombay Legislative Assembly approves Nationalisation of Road Transport. | 58 |
| (d) Central Board to Co-ordinate Development plans in Pakistan: Dr. Nazir Ahmed outlines future work. | 59 |
| (e) Economic Planning Board set up to plan Economic Development of Burma. | 60 |
| (f) Industrial Research Institute to be set up in Burma. | 60 |
| 17. <u>LIST OF THE MORE IMPORTANT PUBLICATIONS RECEIVED IN THIS OFFICE, DURING OCTOBER, 1947.</u> | 61 |

INTERNATIONAL LABOUR ORGANISATION.

Preparatory Asian Regional Conference, New Delhi, 27 October
to 8 November, 1947.

The Preparatory Asian Regional Conference of the International Labour Organisation met at New Delhi from 27 October to 8 November 1947. In addition to 15 Asian countries, France, the United Kingdom, the Netherlands Union, Australia and New Zealand sent delegations to the Conference which was attended by 6 representatives of the Governing Body of the I.L.O., 34 delegates, 78 advisers representing Governments, 16 delegates and 32 advisers representing employers, 16 delegates and 36 advisers representing workers, 4 observers, and advisers and substitute delegates from the U.S.A., an observer from Nepal, 2 representatives of the United Nations and one representative of the Interim Commission of the World Health Organisation. The Conference was inaugurated on 27 October 1947 by Sir Guildhawe Myrddin-Evans, Chairman of the Governing Body of the I.L.O. when Pandit Jawaharlal Nehru, Prime Minister of India, welcomed the delegates on behalf of the Government and the people of India.

The Conference adopted the following 25 resolutions:-

1. Resolution concerning the intensification of the Asian work of the International Labour Organisation (based on three draft resolutions submitted to the Conference by the Government of India, one by the Indian Workers' delegate, one by the Chinese Government delegate and one by the Government, Employers' and Workers' delegates of I.A.O.S).
2. Resolution concerning Labour Standards in Japan.
3. Resolution concerning Tripartite Organisations and other Appropriate Arrangements.
4. Resolution concerning Increased Production.
5. Resolution concerning Seafarers.
6. Resolution on Social Security.
7. Resolution on Employment Service, Recruitment and Vocational Training.
8. Resolution on Wage Policy and Family Budget Enquiries.
9. Resolution on Conditions of Work and Labour Welfare.
10. Resolution on the Protection of Children and Young Workers.
11. Resolution on the Employment of Women and the Protection of Maternity.
12. Resolution on the Rural Labour and Related Problems.
13. Resolution on the Plantation Labour.
14. Resolution on the Aboriginal Tribes and Untouchable Castes.
15. Resolution on the Housing.

- 2
16. Resolution on the Small-scale, Cottage and Handicraft Industries.
 17. Resolution on Cooperation.
 18. Resolution concerning Programme of Action.
 19. Resolution concerning Statistics.
 20. Resolution concerning the Economic Policies necessary for the Attainment in Asia of the Social Objectives of the International Labour Organisation.
 21. Resolution concerning Industrial Development in Japan.
 22. Resolution concerning Representation of Agricultural and Cottage Industry Workers.
 23. Resolution concerning the placing of I.L.O. Conventions and Recommendations before the National Legislatures.

Memoranda on I.L.O. and Asia.- The Conference aroused considerable interest in India in the working of the I.L.O. and two memoranda reviewing the work of the I.L.O. and stressing the need for an intensification of its activities in Asia were published by the Indian Council of World Affairs and the Indian Federation of Labour. Copies of the former entitled 'Asia and I.L.O.' were forwarded to Montreal with this Office Minute F.3(AC)/1678/47 dated 5-12-47 and to Geneva with this Office Minute F.3(AC)/1679/47 dated 5-12-47. Copies of the latter published at pages 294 - 301 of the September - October 1947, Special Asian Conference Number of 'Indian Labour' were also forwarded to Montreal and Geneva with the same Minutes.

3

NATIONAL LABOUR LEGISLATION.

INDIA

Assam:

Assam Industrial Disputes Rules, 1947: Draft.

The Government of Assam has published the draft of the Assam Industrial Disputes Rules, 1947, which it proposes to make in exercise of the power conferred by Section 38 of the Industrial Disputes Act, 1947.

The Rules lay down the procedure to be followed in referring industrial disputes to Boards of Conciliation, Courts of Enquiry or Tribunals and specify the powers and duties of Conciliation Officers, Boards, etc. The Rules further prescribe the constitution and duties of Works Committees provided for in the Act.

The draft is to be taken into consideration on or after 10-11-1947.

(The Assam Gazette, dated 22-10-1947,
part II, pages 877-887).

Bengal:

Draft Amendment to Bengal Industrial Disputes
Rules gazetted: Procedure for setting up
Works Committees.

The Government of Bengal published on 22-9-1947, the draft of certain amendments it proposes to make to the Bengal Industrial Disputes Rules, 1947 (vide page 2 of the report of this Office for May 1947) in exercise of the power conferred by Section 38 of the Industrial Disputes Act, 1947.

The rules lay down the procedure to be followed for setting up Works Committees, and outline their functions and duties. The rules specify that the number of representatives of workers and on a Works Committee should not be less than the number of representatives of the employer; that the employers' representatives should be, as far as possible, officials in direct touch with or associated with the working of the establishment, and that the Committee should meet not less often than once a month. The Works Committee has power to discuss any matter that affects the relations between the employer and the workmen; and may whenever necessary and expedient consider and suggest solutions of difficulties that may arise in the working of the establishment.

The draft will be taken into consideration on or after 8-10-1947.

(The Calcutta Gazette Extraordinary, dated
22-9-1947, Part I, pages 159-160).

4
Madras:

Electric Tramway Services, Motor Transport
Services and Cotton Textiles Industry
declared "Public Utility Services" under
Industrial Disputes Act, 1947.

Reference was made at page 5 of the report of this Office for April 1947, to a notification by the Government of Madras declaring the Motor Transport Services and the Cotton Textile Industry "public utility services", under the Industrial Disputes Act of 1947. By another notification issued this month the Madras Government has declared these two, "public utility services" for a further period of six months with effect from October 1947. By the same notification Electric Tramway Services also ~~was~~ are declared a "public utility service" for a period of six months.

(G.O.No.4227 Development, 4-10-1947,
The Fort St. George Gazette, dated
14-10-1947, Part I, page 873).

Employment of Children as Cleaners in Motor
Transport Workshops prohibited: Addition to
Schedule to Employment of Children Act.

In exercise of the powers conferred by Section 3-A of the Employment of Children Act, 1938, the Government of Madras has made the following addition to the Schedule of the Act:-

"Working as cleaners in workshops attached to motor transport companies".

(G.O.No.4540, Development, dated 19-9-1947,
The Fort St. George gazetted, dated
30-9-1947, Part I, page 851).

Amendment to Payment of Wages (Railways) Rules
1957: Scope extended to Contractors' Labour.

Reference was made at page 6 of the report of this Office for April, 1947, to the draft of certain ^{amendment} ~~rules~~ which the Government of Madras proposed to make to the payment of wages (Railways) Rules, 1957. The draft, which sought to extend the scope of the Payment of Wages Act to labour for railway work employed by contractors, has been approved and the rules gazetted.

(Rules Supplement to Part I of the Fort St.
George Gazette, dated 30-9-1947, pages 193-194).

5

United Provinces:

United Provinces Industrial Disputes Bill,
1947: Ordinance to be replaced by Act of
the Legislature.

The Government of the United Provinces published this month the United Provinces Industrial Disputes Bill, 1947, which it proposes to enact in place of the United Provinces Industrial Disputes Ordinance, 1947 (vide pages 6-7 of the report of this Office for May 1947 and page 6 of the report for June 1947) which is due to expire in November 1947. The Bill seeks merely to enact into law the provisions of the Industrial Disputes Ordinance promulgated by the provincial Government in May, empowering the provincial Government to make provision for the prevention of strikes and lock-outs and the settlement of industrial disputes.

The Statement of Objects and Reasons attached to the Bill points out "although more than two years have passed since the termination of the war, normal life is still far from sight. There is a shortage of foodgrains and all other essential commodities and necessities of life. Maximum production is required to relieve the common want and misery. Prices continue to be rising and life has become very difficult for the common man. The loss of every working hour adds to the suffering of the community. In these circumstances, it is essential that Government should have powers for maintaining industrial peace and production and for the speedy and amicable settlement of industrial disputes. The Bill, which is similar to the Ordinance already in force, provides for such powers."

(Government Gazette of the United Provinces,
Extraordinary, dated 27-10-1947, pages
22-27).

PAKISTAN

Sind:

Facilities

Amendments to Sind Factories Rules gazetted:
Improved Washing Facilities and Exemptions
from Hours of Work Restrictions.

The draft of certain amendments to the Sind Factories Act, 1934, to which reference was made at page 2 of the report of this Office for February 1947, has been approved and the amendments gazetted. The amendments relate to (a) the provision of improved washing accommodation and facilities in factories and (b) the categories of workers exempted from certain restrictions on working hours and the conditions subject to which such exemptions may be permitted, etc.

(The Sind Government Gazette, dated
9-10-1947, Part IV-A, pages 732-746).

7

SOCIAL POLICY.

Tripartite Conference for Plantations Industry
to be convened early in 1948.

With a view to improving the conditions of work of workers in the plantations the Government of India has decided to convene a tripartite conference for the plantation industry in January or February 1948.

Provisional agenda.- The provisional agenda for the conference includes wage fixation in the industry; medical care and treatment; outlines of legislation for regulating conditions of work in plantations, including inspection; and financing of schemes of welfare and inspections. Besides these items, the question of appointment of a Standing Committee, which could meet more frequently for consideration of urgent matters will also be discussed at the conference.

In this connection it is stated that nearly one million workers are employed in large-scale plantations in India which produce tea, coffee, and rubber. So far plantation labour has had little protection either by law or through a properly established joint negotiating machinery. A start was made early this year when the first tripartite conference on plantation labour with representatives of organisations of workers and employers and of Governments of Provinces and States where large plantations exist was convened (vide pages 5-7 of the report of this office for January 1947). That conference decided on the main problems relating to improvement in the conditions of plantation labour which deserved prior consideration. The subjects have since been under study by the Ministry of Labour.

(The Hindu, dated 29-10-1947;
Unofficial Note issued by the Press
Information Bureau, Government of India).

Meeting of Bombay Provincial Labour Advisory Board,
Poona, 15-10-1947: Mr. Nanda urges employers to
co-operate with labour.

Addressing a meeting of the Bombay Provincial ^{Labour} Advisory Board (reference was made to the appointment of the Board at page 8 of the report of this office for March 1947), at Poona on 15-10-1947, Mr. Gulzarilal Nanda, Labour Minister, Government of Bombay, maintained that while on the production front the faults of labour were being paraded everywhere, not enough was being said of the shortcomings of employers in this respect. The attitude of employers towards organisations of labour had been extremely unhelpful and often hostile and on that account India today had to do without the services of sound and strong trade unions which could help the community and the industry in enlisting the co-operation of the working class. In many cases, the employers had failed to arrange their productive resources to the best advantage of the community and spurned suggestions of proved worth calculated to improve their relations with the workers. They had created a psychological

Industrial Health and Safety.

New Factories should be constructed in accordance with revised (proposed) Provisions of Factories Act: Madras Government warns Industrialists.

A press communiqué issued by the Government of Madras states that the designs of buildings and layout of machinery in many existing factories are unsatisfactory. Such design and construction result in trying working conditions and make subsequent alterations necessary for securing the health, safety and welfare of workers, difficult and often impossible. Proper arrangements for the disposal of industrial and trade wastes are also lacking in many factories with the result that the sanitation of the area is affected. With a view to remedy these defects, the Government of India has under consideration the revision of the Factories Act. The Act, when amended, will provide: (a) that plans, designs and specifications of new factory buildings or extensions to existing factory premises and the proposed layout of plant and machinery should be submitted to the Chief Inspector of Factories before construction is undertaken; and (b) that adequate arrangements should be made for the disposal of industrial and trade wastes.

The communiqué warns that when the Act is amended the Government intends to enforce these provisions strictly. If the Inspectorate should find that the buildings are not so constructed or the layout is not such as to provide adequately for the health, safety and welfare of workers, factory owners would be required to undertake alterations or in extreme cases even demolition of buildings found suitable. To avoid complications at a later stage the communiqué suggests that those who intend to put up new factories or extend existing capacity should consult the Chief Inspector of Factories before ~~xxxxxx~~ construction is undertaken. The Director of Public Health might also be consulted as regards proper disposal of industrial and trade wastes.

(Madras Government Press Communiqué
No. 46, dated 30-9-1947).

10

Wages.

Rates fixed for Handloom Weavers' Wages in Madras.

The Government of Madras has accepted the recommendations of the Provincial Handloom Board (vide page 51 of the report of this Office for May 1947) and fixed the wages of handloom weavers in the province. The maximum wage rate in respect of 20 counts has been fixed at 1 rupee 2 annas and 9 pies per knot of yarn used in making the cloth and the maximum wage for higher counts at 1 rupee. While these rates relate to cloth with "plain weave" extra wages are to be allowed for "special weaves".

A press note issued by the Government in this connection states that the pre-war average income of a loom was 10 rupees per month when the ~~basic~~ basic cost of living index was 100 (August, 1939). The present cost of living index is ₹ 275 and the present rates have been fixed with a view to ensure that a weaver did not get less than 27 rupees 8 annas per loom in proportion to the rise in the cost of living index. An independent weaver is free to sell his cloth direct to the consumer and get the entire margin of profit of 18 3/4 per cent provided under the control orders. Giving the weaver this maximum allowance, the additional income per loom would be about 10 to 15 rupees and his monthly income would be in the neighbourhood of 45 to 50 rupees.

The Government has also issued instructions to Stamping Inspectors to carry out a census of handlooms with a view to eliminating a large number of 'bogus looms' maintained for the purpose of drawing yarn rations.

(The Hindu, 1-10-1947;
Government of Madras Press Note
No. 229, dated 30-9-1947).

Industrial Disputes.

Non-Compliance with Tribunals' Awards: Madras Government warns Employers.

A Press communiqué issued by the Madras Government on 16-10-1947 stated that the working of the Industrial Disputes Act had shown that managements of some industries were prepared to defy the awards of Industrial Tribunals because the penalty for non-compliance with awards was trivial. In certain cases, managements had also closed down or threatened to close down industries, on the plea of losses, rather than abide by the awards of Tribunals. The communiqué emphasised that Tribunals gave their awards only after taking into consideration all matters relating to the disputes concerned, including the capacity of the industry to pay, and it was not open to individual managements to declare lock-outs merely because their profits were below what they had been accustomed to.

It further pointed out that the Government had under consideration proposals for amending the Industrial Disputes Act with a view to ~~enhancing~~ enhancing the punishment for non-compliance with awards, and empowering Government to prevent the closure of industrial concerns as a consequence of the awards of Industrial Tribunals.

(Madras Government Press ~~XXXX~~
Communiqué No.47, dated 16-10-1947).

Ceylon Public Servants allowed to form Unions based on Whitley Councils.

20-21

Reference was made at pages ~~22~~ of the report of this Office for June 1947 to the Civil Servants' Strike in Colombo on the question of trade union rights of Government employees. The Government of Ceylon has now granted the right to all public servants to form unions without official control based on the Whitley Councils of the U.K., excepting the police force, prisons staff and agricultural corps associations.

The Government has also restored its recognition of the Government Clerical Service Union, on the latter's undertaking to abstain from political agitation.

(The Times of India, 27-10-1947).

Welfare.

Welfare Trust Funds for Industrial Employees:
Employers' Views.

Towards the latter part of July 1947, the Government of Bombay requested the Committee of the Millowners' Association, Bombay to express an opinion on certain proposals in connection with the setting up of welfare trust funds for industrial employees, which were discussed at the eighth meeting of the Standing Labour Committee held in the middle of March 1946 (vide pages 3-5 of the report of this Office for March 1946).

The proposals, briefly stated, were that the Factories Act would be amended, making it obligatory on employers to provide for welfare measures and that since labour welfare measures would serve to increase the productive efficiency of workers, they should be regarded as a legitimate charge on the Industry. Further, the Committee was requested to consider the proposal to set up voluntary welfare trust funds in the undertakings under the control of members of the Association for being expended on welfare measures. Lastly, it was stated that, in the opinion of Government, the following might be considered appropriate items on which the funds could be expended: (a) Education of workers and their dependants, (b) Health of workers and their dependants, (c) "recreation and entertainment for workers and their dependants, (d) Other general amenities, and (e) Administration of the trust funds.

As regards the question of setting up voluntary welfare trust funds, the Committee, in its reply, pointed out that several Bombay mills had already welfare funds and that the fund in each case was built up from allocations made from profits, unclaimed wages, fines ~~xxxx~~ realised from workers, etc., and expenses were incurred from the funds on clearly well defined objects connected with labour. In the Committee's opinion, since welfare trust funds were already in existence any legislation for this purpose was not necessary. The Committee had no ~~remarks~~ remarks to offer in connection with the purpose for which the welfare trust funds might be utilised so far as the workers themselves were concerned, but strongly objected to any portion of the fund being utilised for the welfare of workers' dependants. The Committee stressed that the education of workers' dependants, the health of workers' dependants and recreation and entertainment of workers' dependants, were the responsibility of the State and the civic authorities and should not be passed on to the shoulders of the employers.

With regard to the administration of the trust funds, the Committee were unable to agree to the participation of workers for the following reasons:- wherever the amount was expended from the fines fund or unpaid wages fund, such expenditure was only incurred on purposes previously approved by the authorities concerned. Where, however, the expenditure was incurred from allocations made from Profit and Loss Account, the discretion in the matter of such expenditure and the purposes for which the amount might be actually spent must rest with the management. Unofficial consultations between the management and the workers did take place in individual cases, but the Committee could not agree to the statutory association of workers in the administration of the fund. (Summarised from the Excerpts from the Proceedings of the Committee of the Millowners' Association, Bombay, during July-August, 1947).

General.

Colliery Workers in ^{Central Provinces} ~~Assam~~ to get Higher Wages
And Dearness Allowance and Provident fund
Benefits: Fact Finding Committee's Recommendations.

The Fact-Finding Committee set up by the Government of India to report on the extent to which monetary benefits and concessions can be granted to colliery workers in the Central Provinces and Berar and in Orissa (vide page 32 of the report of this Office for June 1947) has submitted its report, and the main recommendations of the ~~Committee~~ Committee together with the decisions of the Government thereon have been published as a Resolution by the Ministry of Labour in the Gazette of India of 10-10-1947. The recommendations of the Committee are briefly summarised below.

Wages.- After taking into account the variations in the working conditions in Central Provinces and Berar and Orissa, such as the extensive use of explosives, use of machinery etc., the Committee has recommended in the case of Central Provinces and Berar:-(i) in the case of coal cutters, an increase of $33\frac{1}{2}$ per cent over the 1939 wage which is assumed to have been 12 annas per $53\frac{1}{3}$ c.ft. of solid coal; (ii) for underground loaders and trolley-men, an increase of 50 per cent over the 1939 basic wage; (iii) for adult male time-rated workers, both underground and surface, a minimum wage of 8 annas per day and for female labour 6 annas per day; and (iv) for all other workers, underground or surface, who are now in receipt of basic wages between 8 annas and 1 rupee a day and are not otherwise benefited by the general increase in the basic rates now proposed and have had no increase since 1st July 1946, an increase of 12 per cent over their 1939 wage.

As regards collieries in Orissa, the Committee recommends that blasters (or coal cutters) should be allowed $33\frac{1}{3}$ per cent increase over their present basic wage and the loaders and trammers a 50 per cent increase.

Dearness Allowance.- The following rates of dearness allowance have been recommended:-

| | Proposed | Minimum | |
|---|------------------|---------|-------|
| | Scale | Rs. | A. P. |
| | Per cent | | |
| For workers drawing basic wage up to Rs. 50 p.m. | $100\frac{2}{3}$ | 11 | 4 0 |
| For workers drawing a basic wage of Rs. 51 to 100. | $66\frac{2}{3}$ | 50 | 0 0 |
| For workers drawing a basic wage of Rs. 101 to 300. | 40 | 66 | 10 0 |

For Hingir-Rampur collieries in Orissa the Committee has recommended a flat rate of 100 per cent of the basic wage.

Annual Bonus.- The Committee has suggested the payment of an annual bonus of four months' basic wages, for all workers drawing up to 500 rupees per month, on the lines recommended by the Board of Conciliation (vide pages 21-24 of the report of this Office for May 1947). The bonus is subject to the same conditions and methods of calculation as in the case of collieries in Bengal and Bihar except

14

that it will be paid quarterly and that the qualifying attendance will be 60 days per quarter for underground workers and 65 days per quarter for surface workers.

Lead and Lift Rates.- The Committee has recommended the same scales of 'lead and lift rates' as those proposed by the Conciliation Board for Bengal and Bihar. The Committee was of the view that 'lead and lift rates' should be considered as an allowance and not as part of the basic wages.

Provident Fund.- Institution of a Provident Fund scheme on the same lines as for collieries in Bengal and Bihar, has also been suggested.

Cost of Explosives, Kerosene Oil, etc.- Hitherto the cost of explosives, kerosene oils, picks, shovels, etc., supplied to the workers has been recovered out of their wages. The Committee has suggested that this practice should stop and all charges borne by the collieries themselves.

Other recommendations.- Other recommendations relate to cloth and grain concessions, standardisation of tubs, etc.

Government accepts recommendations.- The Government of India has accepted the recommendations of the Committee with the proviso that there shall be no reduction in the basic wage of any worker where it is higher than what would be admissible under the Committee's recommendations, and subject to clarification in subsequent orders as to whether "lift and lead" payments should be regarded as an allowance or as a part of basic wages.

(The Gazette of India Extraordinary,
dated 10-10-1947, page 1149-1170).

Agreement regarding service conditions between
Maritime Union of India and Scindia Steam
Navigation Company: Hours of work, Overtime
Pay etc. according to Seattle Conventions.

An agreement regarding wages and conditions of service has been arrived at between the Maritime Union of India and Messrs. The Scindia Steam Navigation Co. Ltd., The terms of the agreement include scales of pay, overtime allowance, compensations, Provident Fund, privilege leave, sick leave, examination leave and other benefits and the recognition of the Union as the only organisation representing Merchant Navy Officers in the Company's employment. The following are some of the details of the agreement:-

Wages.- The starting pay ranges from 970 rupees a month for a Master to 330 rupees in the case of a 4th Officer with Home Trade certificate. A Chief Engineer will get 910 rupees a month and an uncertified fifth engineer 590 rupees. Doctors, Radio Officers, Electricians and Pursers will initially receive 425 rupees, 320 rupees, 280 rupees and 260 rupees a month respectively.

15

Hours of work and overtime.- The normal hours of work of the Officers will be as laid down in the Seattle Convention on Wages, Hours of Work and Manning. Overtime will be as provided by the Seattle conventions with the exception that Chief Officers and 2nd Engineers while on board shall be given a consolidated compensation for overtime at the rate of 40 rupees p.m. or 2 days per month.

Privilege Leave.- Every person except apprentices, is entitled to six weeks' privilege leave on full pay and victualling allowance (Rs.5/- per day) for each completed year of service, exclusive of probationary period. No prorata privilege leave will be given to an officer for a period of less than six months' continuous service, unless the services are terminated before the expiry of six months through no fault of his own. Privilege leave can be accumulated upto a maximum period of 5 months and any such leave in excess of this period will lapse, but the Company may in special cases in consultation with the Union make cash payment in lieu of leave which would otherwise lapse in the event that the Company for its convenience is not in a position to allow an Officer to proceed on leave when demanded. In addition, three months' examination leave with pay and shore allowances, are also allowed under certain conditions.

Medical treatment.- It will be the duty of the Company to provide medical treatment to persons within the scope of the agreement when they are on ship's article or attached for duty to a particular ship whether on or off duty at the time of an accident or illness. The period of illness in hospitals or convalescence will be counted as sick leave and will be limited to 3 months in a year. The person concerned shall be considered to be on active ~~active~~ service during this period of 3 months and shall be given full pay and other privileges. Medical treatment, hospital expenses, full pay and other privileges until complete recovery will also be provided in case of accidents on board ship.

Other terms of the agreement relate to overseas allowance, victualling allowance, travelling allowance, messing arrangements, etc.

(Summarised from the "Oceanite", July-September 1947).

16

ECONOMIC CONDITIONS.

Inaugural Meeting of Indian Rubber Board, New Delhi, 4-9-1947.

Dr Shyama Prasad Mookherjee, Minister for Industries and Supplies, Government of India, opened the inaugural meeting of the Indian Rubber Board at New Delhi on 4-9-1947. The Board elected Mr. A.V. Thomas of the Rubber Growers' Association of India as its permanent Chairman and Mr. T.W.U. Park of the Association of Planters of Travancore as its Vice-Chairman.

Present position of Indian rubber industry.- A note submitted to the Board describing the present position of the rubber industry in India stated that the rubber plantation industry alone employed nearly 50,000 people and that the estimated value of rubber produced in 1945, according to prices fixed by the Government of India, was about 36 million rupees. The immediate need of the industry was to make indigenous rubber available to the manufacturers at rates which were not uneconomic when compared with the world price of rubber. This could be secured, by some measure of control of imports and exports and by the adoption of improved and scientific methods of rubber cultivation.

Inaugural address: Future of India's Rubber Industry.- Inaugurating the meeting Dr Mookherjee pointed out that the question of over-production of rubber in the world need not now affect the Indian industry adversely. During the depression years of the 'thirties India has been an exporting country and practically, none of her rubber was consumed in the country. Even at the end of the first restriction period in 1939, internal consumption had reached the moderate figure of 5,600 tons out of the estimated production of 16,500 tons, i.e. only about one-third of India's production. It had, however, increased vastly under the pressure of war-time demands and today India not only consumed all her present production, but needed small imports of rubber. Indeed, when rubber manufacturing enterprises now in the process of formation got into production, India would need much larger imports or larger production than existed today. The existing excess of supply over demand in the world and the emergence of synthetic rubber, therefore, did not affect the Indian producing industry so seriously as would have been the case if India had continued to be an exporting country.

One of the most important issues which would face the Board, according to Dr Mookherjee, was the question as to what prices should be maintained for Indian rubber in the interests of both the producing and consuming sections of the rubber industry and what level of imports should be permitted. Superficially, there was a clash of interests here, between producer, manufacturer and consumer; but he hoped that with an understanding of each other's points of view, it would be possible for the Board, which represented all interests to formulate a price and import policy which the Government of India could adopt in the interests of the country as a whole. The average production per acre in India was extremely low and the promotion of scientific and technological research and the application of the results of such research in the shape of technical advice for the guidance of the rubber-grower were other matters in which the Board had a valuable role to play.

17

Prices Committee's Recommendations.- The Prices Advisory Committee set up by the Board is understood to have recommended to the Government of India a price for rubber in the vicinity of 78 rupees per cwt., which is the present price, for two months, after which period the position should be reviewed. The manufacturers pleaded for a considerable reduction in this price, pointing out that the price in Malaya was only 48 rupees per cwt.

(The Statesman, 5 and 6-9-1947).

Indian Sugar Industry during 1946-47:
Sugar Mills' Association's Review.

The working of the sugar factories in India during the 1946-47 season has been reviewed briefly in a statement issued to the Press in the last week of September by the Indian Sugar Mills Association, Calcutta.

Decline in output.- The 1946-47 season was in general much more unfavourable than the 1945-46 season. Sugar production further declined from 9,45,000 tons in 1945-46 to 9,21,000 tons during the season under review, though at the commencement of the season, very optimistic estimates were made by the Sugar Controller for India, who estimated a production of 10,50,000 tons. The sugar recovery also declined from 10.08 per cent in 1945-46 to 9.854 per cent. The duration of the season was also shorter than in the previous season. Though production in the country as a whole declined, there was some improvement in the output of the factories in the U.P., Orissa, the Punjab, the N.W.F.P. and the Indian States. Output in the North-West Frontier Province increased by as much as 49.8 per cent and in the Punjab by over 18 per cent. But the increases in the production were more than offset by a steep decline in production in Bihar and Bengal. The production in these provinces dropped by about 17 per cent. Consequently, the all-India output showed a drop by 2.54 per cent from the 1945-46. Of the production of 9,21,177 tons, U.P. and Bihar, the main sugar producing provinces in the country, produced 6,74,333 tons, which works out to 73 per cent of the entire output. The next highest production came from factories in the Indian States, which contributed 98,540 tons, that is, 10.7 per cent of the total production. The Bombay Presidency, which came next, produced 65,388 tons; 7 per cent of the all-India output. The remaining provinces contributed only 9 per cent of the output.

Reasons for decline in output.- The shrinkage in production during 1946-47 season could be adduced to numerous reasons. In the first place, only 142 factories worked during the season as against 145 working during the previous one. Secondly, the quality of cane supplied to the factories was inferior to that of the 1945-46 season, and there was a drop in the sugar recovery to 9.8 per cent; which was lowest on record since the 1942-43 season. In U.P. particularly, in the Eastern districts as also in South Bihar, cane was affected by red rot. In North Bihar the crop was seriously damaged by floods. The quality of cane in the Bombay Presidency also suffered owing to lack of manure supply and application of the ~~Sar~~ Growth of Food Crops Act, whereby 50 per cent of the land had to be reserved for food crops.

18

Share of India and Pakistan in sugar production.- The review gave the following separate figures for sugar production in the Indian Union and Pakistan.

Indian Union (including States): production during 1946-47 season: 901,690 tons, percentage to total output 97.884.

Pakistan: production during 1946-47 season: 19,487 tons, percentage to total output 2.116.

Indian Union (including States): No. of factories worked 137; average No. of days worked 92.33; total quantity of cane crushed (tons) 9119832; total quantity of molasses obtained (tons) 318,000; recovery sugar per cent cane ~~8.987~~ 9.887; recovery molasses percent cane 3.487.

Pakistan: No. of factories worked 5; average No. of days worked 64.4; total quantity of cane ~~crushed~~ (tons) 229,302; total quantity of molasses obtained (tons) 9,043; recovery sugar percent cane 8.49; recovery molasses percent cane 3.94.

(The Bombay Chronicle, 27-9-1947).

Bihar Legislature approves Damodar Valley Project.

The Bihar Legislative Assembly adopted on 11-10-1947 an official resolution empowering the Dominion Legislature of India to regulate by legislation all matters necessary to enable the Damodar Valley Corporation to attain its objects including giving to the Corporation powers to levy rates, tolls and fees. The objects of the Corporation include provision and operation of schemes for irrigation, water supply, generation of hydro-electric and thermal power, flood control, navigation, promotion of afforestation and promotion of industrial development. The Bihar Legislative Council had adopted an identical resolution earlier on 9-10-1947.

(The Hindustan Times, 11 and 13-10-1947).

19

Indian Oilseeds Committee inaugurated,
New Delhi, 16-10-1947.

Mr. C.H. Bhabha, Commerce Minister in the Government of India, inaugurated in New Delhi on 16-10-1947 the first meeting of the Indian Oilseeds Committee. Analysing the main problems connected with the production of oilseeds in India Mr. Bhabha emphasised that those engaged in India's oilseeds industry and trade should soon make up their mind as to whether they should use more oilseeds within the country or revert to the pattern of the ~~present~~ pre-war economy under which oilseeds constituted an important item in India's export list. On this decision, he said, would depend the direction and scope of all future developmental activities with regard to oilseeds. The following is a summary of Mr. Bhabha's address.

Importance of oilseeds.- In a subsistence economy like that of India oilseeds were next in importance only to foodgrains. Not only did they supply an essential requirement in the nutrition of men and cattle, but today in India 15000 tons of oilcake were also needed as fertilisers and larger quantities would find a ready market even under the present high prices. During recent years oilseeds had ~~and~~ also become an increasingly important factor in the industrial economy of India. The industrial use of oilseeds was practically unknown to India till the emergence of the vanaspati industry shortly before the war. There ~~were~~ many other directions in which oilseeds could be used for industrial purposes and the time had come when the industry and trade must make up its mind as to whether it should go in for increased utilisation of oilseeds in India or revert to the pattern of pre-war economy under which oilseeds constituted an important item in India's export trade.

Need to increase production and yields.- The main problems connected with oilseeds were partly agricultural and partly technological. On the agricultural plane, the problem was primarily one of increased production. The demand for ~~and~~ oilseeds all over the world had far exceeded its supply, and the present acute international shortages of oils and fats were likely to last for at least another couple of years. The problems before India's agricultural planners were first, how best to increase the acreage under oilseeds without encroaching on the acreage under foodgrains, and secondly, how best to conserve and increase the yield of oilseeds per acre of cultivated land by controlling diseases and pests on the one hand and promoting the use of improved varieties of seed on the other. This would be the primary problem of the Committee on the agricultural side.

Technological problems.- But side by side with the agricultural problem, Mr. Bhabha felt, the Committee should also tackle the technological problems implicit in any large-scale policy for the industrial utilisation of oilseeds in India. As increased acreages were released for the growing of oilseeds, the urgency of the technological problems would also increase, and it would be wise on the part of the Committee to contrive measures from now onwards to lay the foundations of a sound scheme of technological research alongside of agricultural research. Commodity committees on cotton and jute had already substantial achievements to their credit, and the Government hoped that the newly formed Indian Central Oilseeds Committee would also justify the faith which had brought it into being.

Need for vigilance.- In conclusion Mr. Bhabha emphasised that unless India was watchful of her interests she ran the risk of losing her present predominant position in the world oilseeds trade and might be unable to secure her rightful position in the world industry of ~~oilseeds~~ oils and fats. Imperial powers were already trying to expand their acreage under oilseeds and only recently a quasi-Government corporation had been formed to raise groundnuts and other oilseeds in the East-Africa.

Decisions.- The Committee reviewed the progress of research on oilseeds in the various provinces and appointed seven sub-committees to deal inter alia with finance, research and development schemes and marketing.

(The Statesman, 17-10-1947).

Colliery owners urge 25% cut in Production:
Breakdown of transport.

Unless transport arrangements improve in the next few weeks India may be faced with a coal crisis. Small collieries are faced with the problem of averting extinction. Stocks of coal raised by 300 collieries, big and small, in the Jharia coalfields await an adequate number of wagons for transport and most of the smaller collieries have practically stopped raising coal for lack of funds for further investment according to a joint memorandum submitted by the Indian Mining Federation and the Indian Colliery Owners Association to Mr. Sri Krishna Sinha, the Premier of Bihar. The following is a summary of the memorandum.

Failure of Railways to arrange adequate transport.- The railways had till now failed to arrange adequate transport for coal raised in general and for the Bihar coalfields in particular. The difficulties of the collieries had been further accentuated by the recent exodus of engine crews and other skilled labour, the bulk of whom were Muslims, from the Indian Union. Against a normal stock carried by the collieries of only one million tons, the stocks during recent months had risen to over 2½ million tons and were still rising. The average daily number of wagons adequate to carry the entire output was 32,000 against which the available supply was about 2,000 daily. The cost of coal production had increased by over 400 per cent since pre-war days, so that the amount of money that was locked up on stock was too big for most collieries to finance. The right remedy, viz., making transport available was beyond the power of the colliery owners and it appeared the transport position, instead of improving within the next six months or more was likely further to deteriorate.

Cut in Production suggested.- To meet this situation promptly two measures were needed. First, the output of all the collieries working in Bengal and Bihar should be cut by 25 per cent. Secondly, the Railway Board should close down all its mines in Giridih which produced the best metallurgical coal in India and some of the mines in its other collieries which produced metallurgical coal. An important difficulty confronting the managements of collieries in implementing such a restriction scheme, however, was the question of tackling labour and its leaders. As per the decision of the Conciliation Board costs could not be cut by reducing wages. The only

21

way open to them was to reduce the number of their employees proportionate to the reduction of 25 per cent in output. The only alternative to an agreed reduction of output, according to the memorandum, was the gradual closing down of a very large number of collieries in the near future.

(The Statesman, 16-10-1947).

Urgent need to increase Production in India:
Mr. Master suggests Tripartite Conference.

Mr. M.A. Master, President of the Federation of Indian Chambers of Commerce and Industry, addressing members of the Indian Merchants' Chamber, Bombay, on 29-10-1947 urged that the Prime Minister of India should call immediately a tripartite conference of Government officials, industrialists and labourers to consider the steps to be taken to increase the production of wealth in the country. The Conference, Mr. Master said, would tackle the problems which, on the one hand, retarded the progress of industries and on the other, militated against the just claims and demands of the workers for a "better, happier and fuller" life. Welcoming Pandit Nehru's call at the Preparatory Asian Regional Conference for an industrial truce to accelerate production in the country, Mr. Master said immediate action, to improve the situation was necessary today in India.

If the industrialists, were really anxious to inspire confidence in the country their whole attitude towards the place of workers in the industrial set-up and their share in the fruits of their labour he felt would have to be changed in consonance with the "modern conception of life and living". He urged Government to suppress undesirable tendencies and growing indiscipline among the workers which seriously hampered production. While welcoming the Finance Minister's recent announcement that she would not be a party to any policy of taxation which would discourage private enterprise and to the imposition of any State controls which would hamper its free expression, Mr. Master said the country would like to see these words translated into action.

Finally Mr. Master sounded a note of warning that India should be extremely vigilant in regard to what was happening at the International Trade Conference. While he admitted that international co-operation was ~~desirable~~ desirable and necessary he maintained that India should not, in her zeal for cooperation, agree to such provisions of the Trade Charter as would make it impossible for her to take effective and proper steps for developing the country's industries and building up her national economy in the future.

(The Times of India, 30-10-1947).

Madras Government to proceed with huge Godavari Irrigation Project.

Mr. Phaktavatsalam, Public Works Minister, Madras, announced on 17-10-1947 that the Government of Madras had decided to proceed with the construction of the Ramapadasagar project, which, on completion, would bring under cultivation 2,300,000 acres of land in the districts of Andhra Desa yielding one million tons of grain a year. The approximate cost of this gigantic scheme—one of the largest irrigation projects in the ~~world~~ world—would be 860 million rupees. It would take 12 years to complete and would release 100 to 150 thousand k.w. of continuous firm power for lifting water for irrigation and for working large-scale industries eliminating coal altogether. Outlining the main features of the project, Mr. N. Govindaraja Iyengar, Chief Engineer in charge of the scheme, stated that it consists of (1) a dam 400 feet across the Godavari River, (2) canals taking off from the left and right flanks of the dam to irrigate large areas covering over 2,500,000 acres in five districts, namely, Vizagapatam, East and West Godavari, Kistna and Guntur, (3) a hydro-electric generating station to produce 100,000 to 150,000 k.w. of firm power and 20,000 k.w. of seasonal power for six months, and (4) a system of locks for providing navigation facilities both in the river and in the canals.

(The Hindustan Times, 19-10-1947).

SOCIAL INSURANCE.

Health Insurance for Workers: Special Officer to Investigate Facilities for Medical Care in Bombay.

Under the provisions of the Workmen's State Insurance Bill introduced by the Government of India and now pending before the Dominion Legislature the responsibility for providing adequate medical, surgical and obstetric treatment (out-patient and in-patient) at dispensaries, hospitals or other institutions has been placed on the provincial Governments. The Government of Bombay has, therefore, appointed Lt. Col. M.G. Bhandari, I.M.S., as special Officer for carrying out a survey of the various centres in which factories are situated in order to decide how additional accommodation can be provided at Government hospitals and also whether it would be possible to secure the co-operation of various private, local and municipal hospitals and dispensaries. He will visit all the hospitals and dispensaries, etc., maintained by both by the Government and the various mills and factories and report to the Government in what way the existing facilities at such hospitals and dispensaries could be utilised for the purposes of the Act.

(Labour Gazette, Bombay, August, 1947).

24

MIGRATION.

Indians in Burma: Burma Government
clarifies Policy.

The Government of Burma in a press note issued in the last week of September clarified its policy regarding the future of Indians in Burma, particularly of Indians in Government service. The following is a summary of the press note:-

Citizenship Rights.- Many of the Indian residents in Burma would automatically become entitled to Burma citizenship without further action on their part under Section 11 of the Constitution Act. Many others would be entitled under the same section to become citizens of Burma by election within the time prescribed by law. Indians who did not yet qualify as citizens of Burma would be able, if they so desired, to acquire Burma citizenship under such naturalisation laws as might be enacted by the Union Parliament. The Burma Government welcomed the presence in Burma of citizens of the Indian race and regarded them as an important element in the population of the country. It was its intention to abide strictly by the fundamental rights guaranteed to all classes and individuals by the constitution which had just been adopted.

Political Rights.- It would also be the special care of the Burma Government to look after the interests of minority communities, and though no seats had been reserved for the Indian community in Burma in either Houses of the Legislature, the Government had no doubt that political parties would take particular care to afford members of the Indian community equal opportunities with members of other races in securing representation in the Parliament and securing political office. The Government of Burma would take this opportunity of recording appreciation of the decision of the Burma Indian community not to seek any particular constitutional privilege or protection.

Indians in Government Service.- As regards Government service it would be the policy of the Government to reserve and provide fair opportunities to Burma citizens of the Indian race for obtaining a due share of appointments. The Government understood that some anxiety had been caused by a section of the new constitution which provided that the official language of the Union shall be Burmese, though use of the English language was permissible. It was not the intention of the Government to utilise this provision to secure reduction in the number of Indians in the various services. It was its intention to allow a reasonable time-limit for acquisition by Indians of a knowledge of Burmese.

After the new constitution came into effect, there would still remain in Burma a number of Indians who might not desire to seek citizenship or who were not qualified to acquire such citizenship. Such persons, as long as they abided by the law of the country, would receive from the Government all protection which it would be in their power to give, but Government could not give them any of the privileges which by law were reserved to Burma citizens. While Burma citizens would be preferred for appointments to posts and for retention in posts in the event of retrenchment in particular services, endeavour would be made to cause as little hardship as possible to those who were not citizens of Burma. (The Times of India, 29-9-1947).

25

AGRICULTURE.

Madras Government publishes bills to acquire
landlord estates and to reduce rents.

The Government of Madras gazetted on 13-9-1947 the texts of three Bills aiming at the abolition of the landlord estates in the province viz., the Zamindaris and inams, which have resulted from the Permanent Settlement, and acquisition by the State of the rights of all such landlords on payment of an equitable compensation. The first of these Bills is for repeal of the Permanent Settlement; the second for reduction of rent in the estates governed by the Madras Estates Land Act approximately to the level of assessment in ryotwari areas in the neighbourhood; and the third to prohibit alienation of communal, forest and private lands in estates in the province by landlords apprehensive of the future and anxious to make as much money as possible before the Government takes over their estates.

The Madras Estates (Repeal of the Permanent Settlement and Conversion into Ryotwari) Bill, 1947.— Under this Bill an estate which the Government proposes to take over will first be notified. With effect from the notified date, the estate including all communal lands, waste lands, forests and other non-ryoti land (i.e. land not belonging to the tenants with permanent rights) mines, minerals, irrigation works, and buildings used exclusively as offices ~~in~~ in connection with administration of the estate will be taken over. The estate will cease to be an estate and become a ryotwari area (i.e. an area where the Government deals directly with the cultivators) in law. The actual administration will begin only after it has been settled on ryotwari principles; but meanwhile a manager will be appointed to make arrangements for the incorporation of the estate in due course as part of the ryotwari area of the district, and until such incorporation, to ~~now~~ collect land revenue on ryoti lands (i.e. lands belonging to the permanent ~~xxx~~ tenants of the Zamindar) in that estate. The estate will be run on ryotwari lines, but as a separate entity to start with. If the estate ~~has not~~ already been surveyed, a survey will be made. If it has already been surveyed and if there are no land records, the survey will be limited to what is necessary for the introduction of the ryotwari settlement. On the basis of this survey the estate will ~~be~~ resettled on ryotwari principle and the land revenue assessment due to the State on the lands in the estate will be ~~xxx~~ fixed and notified. Till the ryotwari settlement is completed, interim payments will be made to the proprietors and other persons having interests in the estate. The interim payment will be apportioned between the proprietor and other persons having interests in the estates by a Special Tribunal.

After this ryotwari settlement has been completed, the compensation payable to the proprietors and other persons having interests therein will be determined. The gross annual ryotwari demand of the estate will first be computed. This gross ryotwari demand will include the gross income derived by the Government from the estate in respect of forests, fisheries, mines, minerals etc., during the complete revenue year immediately succeeding the notified date. One-third of the gross ryotwari demand will first be taken and from it deductions will be made of (a) 8 1/3 per cent on account of establishment charges and (b) 5 per cent on account of the cost of maintaining irrigation works. The resultant sum will be the basis for compensation. Compensation will be paid according to a sliding scale which ranges from 12 1/2 to 25 times the basic sum. The mode of payment of compensation will be laid down in the rules to be framed under the Act. The amount of compensation payable to any person will be deposited in the District Court and the Court, after considering the claims of all persons who apply for compensation, will make payment of the amount. As in the case of provisional payments, the final amount of compensation will also be apportioned by a special Tribunal between the proprietor and other persons having interest in the estates.

In the case of inams (i.e. estates belonging to temples and other religious and charitable institutions) one-half and not one-third of the gross ryotwari demand is to be taken as the basis for compensation.

The Madras Estates Land (Reduction of Rent) Bill, 1947.— The enactment and enforcement of the above Bill for the acquisition by the State of the interests of landlords in estates is however bound to take some time. But the agrarian situation in the zamindari estates is progressively deteriorating as a result of agitation among cultivators for the reduction of present high level of rents and the government of Madras is of opinion that it is necessary to give some immediate relief to the cultivators in the estates. The Madras Estates Land (Reduction of Rent) Bill, 1947, therefore, seeks to provide for the reduction of rents in estates to the level of the assessment prevailing in the neighbouring ryotwari areas and empowers the Government to appoint a special officer for any estate, or estates, for the purpose of determining fair and equitable rates of rent for lands in such estate or estates. The reduced rates, it is provided, shall take effect from the current revenue ~~year~~ year.

The Madras Estates Communal, Forest and Private Lands (Prohibition of Alienation) Bill, 1947.— This Bill merely seeks to repeal an ordinance promulgated by the Government of Madras in June this year (vide page 49 of the report of this office for June 1947) prohibiting the alienation of communal, forest and private lands by estate owners and to reenact its provisions with certain modifications. Under the provisions of the Bill, the alienation of communal and forest lands is rendered void and penalised only where it has taken place without the previous sanction of the District Collector. But alienations without such sanction have been declared void, with retrospective effect from 31 October 1939.

27

Explaining the provisions of these Bills at a press conference in Madras on 13-9-1947, Mr. Kala Venkata Rao, the Revenue Minister of the Province, estimated that the total amount of compensation payable to those with proprietary rights in estates would amount to less than 100 million rupees and stated that he expected the process of State acquisition to be completed 'in a matter of months rather than years'.

Criticism of Scheme: Congress High Command's Directives to Ministry.- Both the Madras Estates (Repeal of the Permanent Settlement and Conversion into Ryotwari) Bill and the Madras Estates Land (Reduction of Rent) Bill, however, have been criticised as a 'confiscatory piece of legislation' and encountered strong opposition within the Madras Congress Party itself. Criticism has centred mainly on the alleged low rate of compensation proposed, the proposal to include in the scope of the legislation the inams lands owned by temples and other religious and charitable institutions, and the attempt first to reduce the rents drastically and then to fix the rate of compensation with reference to the reduced rent. The Hindu in a leading article in its issue dated 31-10-1947 endorsed the views that this, ~~was~~ was really no rent reduction but reduction of the capital value of property and added "Not only would ~~be~~ the owners be thus deprived of their property without adequate compensation. They would be immediately and seriously hit by the large-scale withholding of even the reduced rent, which was likely to result from this measure, if experience was any guide". The Congress Parliamentary Sub-Committee is, therefore, learnt to have advised the Madras Ministry that the quantum of compensation to be paid to the zaminders and land-holders should be increased and that 75 ~~per~~ to 80 per cent of this compensation should be paid forthwith in the form of Government scrips to be redeemable at specified but early dates. It is also understood to have suggested that the institutions of inams should disappear subject to following stipulations: firstly, an inamdar who is a bona fide tiller of the soil should not be affected; secondly, as regards temples and other religious and charitable institutions, the compensation to be paid immediately should be full and the Government should see that these institutions do not suffer on account of the legislation.

Progress of Legislation.- The Madras Estates Land (Reduction of Rents) Bill, was introduced in the Madras Legislative Assembly by Mr. Kala Venkata Rao on 9-10-1947 and was referred to a Select Committee on 29-10-1947. The Bill prohibiting the alienation of communal, forest and private land in zamindari estates after having been passed by the Madras Legislative Assembly on 18-10-1947 received the assent of the Governor-General on 25-10-1947 and has since been gazetted as the Madras Estates Communal, Forest and Private Lands (Prohibition of Alienation) Act, 1947.

(The Fort St. George Gazette, Part IV-A, Extraordinary, dated 13-9-1947, pages 1-20; Part IV-B, Extraordinary, dated 25-10-1947, pages 1-4; The Hindu, 14-9-1947 and 10, 25, 30 and 31-10-1947).

28

Bombay Fragmentation (Prevention) and Consolidation
of Holdings Bill, 1946: Assembly passes Measure.

The Bombay Legislative Assembly passed without opposition the third reading of the Bombay Fragmentation (Prevention) and Consolidation of Holdings Bill (vide pages 49-50 of the report of this office for February 1947) on 17-9-1947. Replying to the debate, Mr. Morarji Desai, the Revenue Minister, gave an assurance that the provisions of the Bill would be executed as carefully as it was humanly possible to do, so that no injustice was done to any poor person and so that it would be possible to bring into operation a system of land tenure of lasting benefit to cultivators in the province. The object of the Bill was mainly to remove further deterioration of cultivation by preventing their fragmentation and providing for their consolidation. One feature of the present Bill which differed from a similar measure contemplated in 1927 as well as similar measures already enacted in other provinces was that under it, Government could consolidate lands in all the villages compulsorily without waiting for anybody's consent. It was, therefore, a compulsory measure. But the Revenue Minister added that it was not Government's intention to launch consolidation simultaneously in all the villages because that might create problems and unnecessary difficulties. Government, therefore, desired to begin slowly so that the experiment was tried out in typical areas and the difficulties that were likely to arise were known and remedies to deal with them were found.

(The Times of India, 18-9-1947).

Government Farms in Madras: Farmers to be
shown round.

In order to acquaint the farmers in the province with the working of Government Farms in several districts, the Agricultural Department in Madras has arranged to take ten farmers from each district for a tour of these farms. The cost of the tour will be borne by the provincial Government.

(The Hindu, 8-10-1947).

Measures to Promote Better Farming in Bombay:
Agricultural Department Reorganised.

Plans for better cultivation of land, extension of arable land and protection of crops are being implemented by the Government of Bombay, and with this view the Agricultural Department has been reorganised to enable better co-ordination.

Four organisations for Agricultural Extension, Agricultural Research and Education, Animal Husbandry and Veterinary Science, and Agricultural Engineering have been set up at Poona. Research work done in the various farms in the Province will be pooled by the Deputy Director for Research who will also control the Agricultural colleges and Schools in the Province.

Every district will be under an Agricultural officer. 19 such district organisations are now working, while problems relating to cotton and non-food crops will be attended to by the Cotton Superintendent in each Division. Greater fillip to the cultivation of foodgrains is sought to be given by distribution of seeds and manure ~~mixtures~~ suited to the soil of each district. In this the Agricultural Officer will take the advice of the District Rural Development Board. The District Agricultural Officers will in future issue periodical instructions to agriculturists regarding weeding, inter-culture operations and weather conditions.

(The Bombay Chronicle, 13-9-1947).

Bombay Warehouses Bill, 1947: Attempt to
facilitate storing and marketing of
Agricultural Produce.

Mr. Venkunt L. Mehta, Minister for Finance and Co-operation in Bombay, introduced in the Bombay Legislative Assembly on 5-10-1947 a Bill to encourage the establishment of private warehouses and provide for the regulation and licensing of such warehouses with the twin objects of providing a chain of licensed warehouses for the storage of agricultural produce in Bombay province and of strengthening the credit resources of the agriculturists. The Bill, which is based on the lines recommended by the Reserve Bank of India, will not only enable agriculturists to store their produce in licensed warehouses subject to ~~make it possible~~ government inspection and supervision but will also ~~enable~~ for them to raise short term loans on the security of the receipts issued by such warehouses and thus eliminate the necessity of disposing their produce when market conditions are unfavourable.

it possible

(The Bombay Government Gazette, Part V,
dated 5-9-1947, pages 248-257;
The Times of India, 4-10-1947).

Zamindari System to be abolished in Bihar:
Bihar State Acquisition of Zamindaris Bill,
1947, referred to Select Committee.

Mr. Krishna Pallav Sahay, the Revenue Minister, Bihar, introduced in the Bihar Legislative Assembly on 11-9-1947, the Bihar State Acquisition of Zamindaris Bill, 1947, providing for the acquisition by the State of the interests of proprietors and tenure-holders in land in Bihar including their interests in forests, fisheries, bazars, mines and minerals and for the introduction in the zamindari areas in the province of a ryotwari system analogous to that of the Bombay and Madras Provinces.

Object of legislation.- The Statement of Objects and Reasons attached to the Bill declares that it is the policy of Government, in the interest of the ryots and for the general material and ~~social~~ social advancement of the Province, to remove all intermediaries between Government and the ryots. For any coordinated plan of agricultural reconstruction it is necessary to ensure for the ryots a fair ~~and~~ rent and fixity of tenure and to provide for the proper maintenance of local irrigation systems. To achieve these objects it is necessary to eliminate middlemen and to bring Government into direct touch with the ryot.

Provisions of Bill.- With this object in view the Bill provides that on the publication of a notification by the provincial Government the interests of proprietors and tenure-holders in respect not only of rents but also of bazars, forests, fisheries, mines and minerals shall vest in Government. The Government will pay to the outgoing zamindar or tenure-holder compensation calculated on the net income of the property. Procedure is prescribed for the calculation of the net income and the rate of the compensation payable varies from five times the net income in cases ~~xxx~~ where the net income exceeds 50,000 rupees to twelve times the net income where the net income falls below 2500 rupees. The compensation is payable either in cash or in bonds as may be prescribed. Special arrangements will be made for compensation to public ~~ryots~~ ryots to ensure that an annual income adequate for the purposes of the ~~ryots~~ ryots is provided in perpetuity. The homesteads and other land used for agricultural or horticultural purposes and in the ~~khas~~ khas possession i.e. private possessions of the proprietor or tenure-holder at the time when the notification is issued will be deemed to be settled with that proprietor or tenure-holder on rates of rent to be fixed by Government.

Bill referred to Select Committee.- After a debate lasting over five days, on 18-9-1947, the assembly referred the Bill to a Select Committee with instructions to report by 30-11-1947.

(The Bihar Gazette, dated 17-9-1947, part V,
 pages 379-408;
 Amrita Bazar Patrika, 14 and 21-9-1947).

35

NAVIGATION.

Indian Shipping Agreement: Indian Vessels to
participate in Overseas Trade.

Reference was made at page 33 of the report of this office for July 1947 to the failure of the conference between Indian and British shipping interests to agree on the question of India's participation in overseas trade.

According to an announcement made in London it is understood that the India Steamship Company Ltd., has concluded an agreement with the British and continental liner conferences providing for the participation of the company's vessels in the trade between India, Britain and Europe.

(The Statesman, 2-10-1947).

PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS.

Low-Paid Government's Servants in East Punjab to get Higher Rates of Dearness Allowance.

To enable its low-paid employees to meet the abnormal rise in prices, the Government of East Punjab has sanctioned the same rates of dearness allowance now adopted by the Government of India to all its employees. In addition to dearness allowance at the Government of India rates, a temporary allowance equal to two annual increments to be drawn until further orders by all Government servants drawing pay between 101 and 250 rupees per month and equal to one increment by those who draw pay between 251 and 400 rupees per month with marginal adjustment up to 25 rupees, has also been sanctioned. The existing temporary allowance and house rent concession have been abolished while those getting 100 rupees a month or less will not be entitled to the new temporary allowance.

The new rates of allowances will have retrospective effect from 16-8-1947 and are expected to involve an additional expenditure of 1.5 million rupees, of which 1 million rupees will be spent on those drawing pay up to 100 rupees a month.

(The Statesman, 17-10-1947).

Bombay Government Staff Federation: Terms for recognition announced.

Reference was made at pages 38-39 of the report of this office for July 1947 to the dispute between the Government of Bombay and its employees regarding, inter alia, the question of recognition of the Staff Federation and to the Government's decision to accord such recognition on certain conditions.

The Director of Publicity, Bombay, has now announced that the Government has accorded recognition to the Staff Federation on the following conditions: (a) the Government would not object to outsiders being appointed as office-bearers of the Federation; (b) the ~~Staff~~ Federation would not have the right to go on strike; (c) the Government would establish Joint Councils and Committees similar to the Whitley Councils ~~of the various offices~~ in the various offices and departments of the province, as soon as arrangements could be made. These Councils and Committees would only deal with the general questions affecting the conditions of service and would not deal with individual cases. In the event of an agreement not being reached between the official side and the staff side, the point at issue would be referred to arbitration. Although individual cases could not be dealt with by the Joint ~~Government~~ Councils and Committees individual cases of alleged victimisation of the Government servants working as officials of the Federation would be referred to the Bombay Public Service Commission for decision; and (d) the Government would not object to the Federation issuing statements to the press, provided these statements were discussed with the Director of Publicity before release, and in any case in which the Director considered the statement unsuitable for the press, it would ~~not be~~ published without the Government's consent. (Times of India, 10-10-47).

Cost of Living Allowances for Madras Gazetted
Officers revised.

A Press Note, issued by the Government of Madras, announces that after a review of the existing scheme of cost of living allowances in the light of the orders of the Government of India on the subject, the Government of Madras has revised the existing rates of allowances in respect of Gazetted Officers with effect from 16 August 1947, as follows:- (i) Married officers drawing pay up to 1000 rupees per mensem will receive an allowance equal to 17½ per cent of pay subject to a minimum of 50 rupees per mensem and a maximum of 100 rupees per mensem. (ii) Married Officers on pay exceeding 1000 rupees but not more than 2000 rupees per mensem will draw 10 per cent of pay subject to a maximum of 150 rupees per mensem. (iii) Married officers on pay more than 2000 rupees but not more than 2150 rupees per mensem will draw as allowance the amount by which the pay falls short of 2150 rupees. (iv) Single officers drawing pay up to ~~2000 rupees~~ 1000 rupees per mensem will receive an allowance equal to 10 per cent of pay subject to a minimum of 40 rupees and a maximum of 75 rupees per mensem. (v) Single officers drawing pay exceeding 1000 rupees but not more than 1075 rupees per mensem will draw as allowance the amount by which the pay falls short of 1075 rupees.

Other conditions regulating the grant of cost of living (war) allowance during leave, deputation, etc., will continue to apply as heretofore.

(Madras Government Press Note, dated
30-10-1947).

Pay Committee appointed by Government of Orissa.

The Government of Orissa has appointed a Pay Committee with its ~~State~~ Finance Minister as Chairman.

The Committee will enquire into and report on: (i) The classification of services; (ii) Reduction of the number of pay scales in all branches of Government service, and formulation of uniform scales of pay for comparable services with a view to removing disparity; (iii) The formulation of the minimum basic pay for working class and middle class Government servants in the light of the conditions prevailing in the Province; (iv) Formulation of model scales of pay for Provincial, subordinate and inferior services on the lines of typical scales recommended by the Central Pay Commission, taking into account such relevant factors as the resources of the Province, comparative standards of outturn of work and living, etc. etc.; (v) Whether dearness allowance, additional dearness allowance and cost of living allowance should be absorbed in the revised pay scales or whether these allowances will be continued in addition to revised scales of pay; and (vi) Such other connected and incidental questions as Government may require the Committee to examine.

The Committee has been asked to submit its report in time to enable the Government to issue final orders before the end of 1947.

(Supplement of to Orissa Gazette, dated 3-10-1947, pages
373-374).

34

Service Grievances of Burma Government Employees:
Standing Joint Board Appointed.

The Government of Burma has appointed a Standing Joint Board to examine Service grievances and matters affecting the Ministerial services which may be placed before it from time to time by the Government. The Board will have ten members, five representing Government and five the All Burma Government Ministerial Services Union. Government members will be Secretaries to Government and the most senior Secretary to Government will be the President of the Board.

The Board may make recommendations but the final decisions will be made by Government.

(Extract from Proceedings of Government of Burma, No. 335HR47, dated 25-9-1947, published in Supplement to the Burma Gazette, dated 11-10-1947, page 515).

ORGANISATION, CONGRESSES, ETC.

Employers' Organisations.

Annual Report of the Employers' Association of Northern India for 1946.

The following information about the conditions of work of labourers employed in factories controlled by member concerns of the Employers' Association of Northern India, Cawnpore, is taken from the 10th Annual Report of the Association for the period 1-1-1946 to 31-12-1946, presented to the Annual General Meeting of the Association held at Cawnpore on 25-9-1947.

Number of Workers.- The total aggregate labour force employed by member concerns of the Association for the year under review was 107,845 as against 101,932 for the previous year. Of this the number of workers employed in Cawnpore decreased from 80,055 in 1945 to 73,772 while the number of workers employed in other centres increased from 21,877 to 34,073.

Complaints.- The total number of complaints (labour) received during 1946 was 1,588 as against 786 during the previous year; the number of complaints thus showed an increase of 76.59 per cent. The report states that this was symptomatic of the growing discontent among the workers and that labour continued freely to utilise the conciliation machinery set up by the provincial Government under the Labour Commissioner. It is further stated that the majority of complaints were received direct by the Government Labour Office while those received through unions were comparatively few in number. Although no unions are recognised by the Association, union representatives continued to appear on behalf of workers in conciliation proceedings in their personal capacity.

The total number of cases heard by the Labour Commissioner was 1,082 as against 587 in the previous year. The findings in 84.70 per cent of these cases were in favour of the Association, in 6.98 per cent against and in 1.11 per cent neutral. In 7.21 per cent of the cases decisions were pending at the close of the year.

Labour Bureau: Placement Record.- The number of men registered in the Association's Labour Bureau during the year under review was 9,556 as against 10,680 for 1945, and the number for whom employment was found 7,758 as against 7,579; the relative percentage of men who secured employment to those registered for the two years under comparison being 80.97 and 70.96.

99.7 per cent of the workers registered for employment at the Labour Bureau were from the United Provinces as against 99.9 for the previous year.

The percentage of literates among the workers registered increased by 3.39 from 24.75 to 28.14. The test of literacy, however, is a very low one, being, education upto 3rd class vernacular standard.

Strikes.- The total number of strikes both in Cawnpore and outstations was 75, out of which 56 were in Cawnpore alone. Viewed industry-wise, strikes in Textiles accounted for 42.67 per cent, leather 13.34 per cent, Jute 12 per cent, woollen, chemical, hosiery and iron industries, each 5.33 per cent, and other industries 10.67 per cent. The number of workers involved in strikes in member concerns increased from 29,128 in 1945 to 105,037 for the year under review (88,054 in Cawnpore and 16,983 outstations). The number of working days lost was 668,895 (495,163 in Cawnpore and 173,732 in out stations) and the amount lost in wages was 1,254,389 rupees (1,026,378 rupees in Cawnpore and 208,011 rupees in out stations). The corresponding figures for 1945 were only 105,781 working days and 116,569 rupees. The report adds that the number of workers involved in strikes was the highest on records since the Association was formed.

The main demands on which workers struck work, in as in previous years, related to demands for higher basic wages, increase in dear food allowance and gratuity or bonus.

War Dear Food Allowances, Gratuity and Supply of Food grains.- The highest weighted cost of living index figures recorded during the period under review were for the general cost of living index 351 in July, 1946 (base, August 1939=100) and for the subsidiary cost of living index 324 also for July 1946; the corresponding lowest figures being 305 and 257 (January). The subsidiary figure rose very abruptly in the month of February (277) and went on rising till it reached the highest in July (324) and, with a little fluctuation in subsequent months, stood at 311 at the end of the year. The War Dear Food Allowance paid by the majority of the association's members is linked to the cost of living index. In the case of Cawnpore members and those outstation members who are supplying foodgrains at concessional rates in accordance with the Association's prices, the scales are linked to the subsidiary index and in all other cases they have been linked to the general cost of living index. The pay level up to which War Dear Food Allowance was paid was 150 rupees a month in the cotton, woollen, leather and jute industries and tanneries. In the first three, the scale of allowance corresponding to a cost of living index above 200 was 6½ annas per day plus 1.4^{7/8} per cent per day per point of increase beyond 200 upto 350; in the last two categories the minimum payable was 5 annas a day and 1 pie per point of increase beyond 200 upto 350 per worker per day.

Members in the cotton, woollen, jute and leather industries declared a gratuity of four annas in the rupee on the basic wage and the majority of the remaining members a gratuity ranging from two annas to four annas in the rupee.

The supply of grains at concessional rates through mill grain shops continued throughout the year. In Cawnpore the number of shops working under the Industrial scheme was 101. Supplies with the exception of sugar, salt and pulses continued to be drawn from the Government. The total bulk cost of purchase of grains incurred by member concerns during the year 1946 amounted to 17,674,480 rupees as against 18,723,518 rupees for 1945.

Supply of Quinine.- The Association continued to purchase its supplies of quinine from Government and was able to assist member concerns in meeting their demands.

General Situation.- Although there was a growing ferment among the workers caused by a change-over from war-time to peace time economy in industries, the setting up of the conciliation machinery, the payment of dear food allowance and the supply of food-grains at concessional rates, etc., ~~which~~ helped to keep labour generally at work and to mitigate the situation. The provincial Government, as in previous years, continued to take timely steps by enforcing adjudication proceedings whenever there was a threat of strike. The report regrets, however, that although Government took prompt steps in ordering adjudication proceedings under the Defence of India Rules, the provisions in the Defence of India Rules against those inciting or taking part in illegal strikes had not been enforced. The main unions operating in Cawnpore during the year under review were the Cawnpore Mazdoor Sabha, Oil Mills Workers' Union, the Cawnpore Tannery & Leather Workers' Union (all affiliated to the Trade Union Congress), the National Mill Mazdoor Union and the Cawnpore Leather Workers' Union (affiliated to the Indian Federation of Labour).

(The annual report of the Association for the year 1945 was summarised at pages 51-53 of the report of this Office for September 1946).

(Summarised from a copy of report sent by the Employers' Association of Northern India to this office, 15-11-47).

Special Session of All-India Manufacturers' Organisation, Bombay, 28-10-1947: Suggestions For better Administration of Controls over Raw Materials.

The difficulties at present experienced by manufacturers in India in securing the requisite supplies of industrial raw materials and the lines on which they could be solved were discussed at a special session of the members of the All-India Manufacturers' Organisation at Bombay on 29-10-1947. A large number of members from different parts of India and representatives of the different regional bodies and association members of the Organisation took part in the discussions.

The general consensus of opinion among the members present was that the difficulties experienced by manufacturers in obtaining raw materials at controlled or reasonable rates were more due to their mal-distribution than to any actual scarcity in view of the fact that any amount of the materials could be purchased in the black market at fancy prices. Among the more important hardships encountered by the manufacturers were the impossibility of cashing quotas allotted by the Government to the full extent and in time, preferential sale by large scale importers in the case of items for which they held an import monopoly, difficulties in transport, and discrimination shown by the Government in favour of old industries and the restrictions imposed by it on imports in certain cases. The session, therefore, recommended that a comprehensive scheme should be evolved by the Government on the following lines: (1) Planned distribution of those raw materials which were scarce and

which were essential to industries, such as coal, iron and steel, cement, yarn, heavy and fine chemicals, etc. (2) A proper survey by the Government ~~will~~ in each province to ascertain the extent of availability of these scarce raw materials and the actual requirements of the various industries. (3) The distribution of raw materials to each industry according to productive capacity on a prorata basis through the industrial associations or through the All-India Manufacturers' Organisation and its regional bodies where such special associations did not exist in the country. (4) Non discrimination in the distribution of raw materials between the old and the new industries. (5) In the case of scarce industrial raw materials, free issue of import licences to industries which consumed them directly instead of through the medium of middle-men. In those cases where industrialists ^{were} not in a position to import directly, the services of established importers might be availed of but such imports must be on the account of industrialists. (6) High priority to manufacturers in moving their raw materials and finishing products.

Lastly, the session suggested that there should be a Raw Materials Committee of the Organisation to study the various problems connected with the distribution of scarce industrial raw materials and to examine the grievances experienced by members in obtaining them. The regional offices of the Organisation could be utilised in contacting the Governments on behalf of members of the Organisation to get their grievances ~~xxxxxxxxxx~~ redressed.

(The Bombay Chronicle, 31-10-1947).

40

Workers' Organisations.

Conference of Workers in Engineering Industry in Bengal:
Decision to set up Engineering Workers' Federation.

Decision to set up Federation.- A Conference of representatives of workers in the engineering industry in Bengal met at Kidderpore on 19 September 1947 with Shri Eopin Behari Ganguly, M.L.A., President of the provincial branch of the Indian National Trade Union Congress, in the Chair and resolved that a Federation of Trade Unions in the engineering factories be immediately formed with a view to furthering the sense of solidarity among the engineering workers in the different factories in Bengal so that they might put up a joint fight through their central organisation, namely, the proposed Federation, for the fulfilment of their common demands and for redress of their common grievances. With this ~~above~~ object in view, the Conference called upon the existing unions of engineering workers to affiliate themselves to the Federation. It also called upon the engineering workers to form their respective unions in factories where there were no unions at present and to affiliate them to the Federation.

Demand for Tribunal to enquire into working conditions of engineering workers.- The Conference next requested the Government of West Bengal to set up ~~as early~~ as possible on the lines of the tribunal set up in the case of the jute workers (vide page 12 of the report of this Office for August 1947) a tribunal to adjudicate and go into the long-standing grievances of the engineering workers in Bengal. The demands of the engineering workers as formulated by the Conference were the following: (1) Guaranteed permanency of employment. A service condition should be introduced in this respect on the same lines as those obtaining in the engineering workshops under the Railways and Port Trusts. (2) Provident Fund and Gratuity schemes should be introduced. (3) Leave rules should be framed on the same lines as in the Calcutta Port Trust and Railway workshops. (4) Minimum wages should be fixed at 40 rupees per month with grades and scales as in Railways. (5) The minimum dearness allowance should similarly be fixed at 30 rupees per month. (6) Wages in the whole industry should be standardised. (7) Hospitals for the workers should be opened and medical facilities provided by the employers. (8) Technical schools should be established for the training of workers. (9) House rent should be paid to the workers by the employers on the lines of the recommendations made by the Central Pay Commission for Government servants. (10) Cheap canteens should be opened in every workshop. (11) The Employers Association as well as its member firms should recognise the Federation. (12) A profit-sharing bonus on an equitable basis should be paid to the workers.

(Indian Labour Journal, 14 October 1947).

41

Mysore Railway Workers call off strike:
Agreement reached on basic demand.

As a result of a settlement reached in the strike of the Employees of the Mysore State Railway (vide page 27 of the report of this office for September 1947) railway workers called off the strike on 6-10-1947.

Under the terms of the settlement it has been agreed that there will be no victimisation, that the strike period will be considered as time spent on duty, that suitable adjustments will be made in anomalous cases, and that a 20 per cent increase will be granted on the revised scales for artisans. The Government has also agreed that facilities of Class One Railways in British India, which was the basic demand of the Railwaymen, will be ~~announced~~ conceded to the Railway workers in the course of two years, provided a substantial improvement in revenue is shown.

(The Hindu, dated 8-10-1947).

Dr. Banerjee resigns Presidentship of Indian
National Trade Union Congress: Mr. Harihar Nath
Shastri elected President.

Mr. Harihar Nath Shastri, United Trade Union leader of the United Provinces, has been elected president of the Indian National Trade Union Congress in place of Dr. Suresh Chandra Banerjee, Labour Minister, West Bengal, who has resigned.

(The Statesman, dated 16-10-1947).

42

Threat to Trade Unionism in Malaya: Recent Adverse
Judicial Decision.

In an important labour appeal heard during October, Sir Harold William, the Chief Justice of the Malayan Union, has held that an estate owner need not re-employ some workers who had struck work for three days after full notice. The following are the facts of the case:-

In July 1947 tappers in many estates struck work for three days as a protest against a 20 per cent cut in the contract rates made because of the then low price of rubber. One owner refused to re-employ four tappers who then appealed for redress to the Deputy Commissioner of Labour. The Commissioner held that the owner had dismissed the ~~woker~~ workers and should pay one month's wages in lieu of notice.

The Chief Justice, however, reversing the decision in the appeal, held that workers were not, as found by the Commissioner, dismissed. Since they had absented themselves from work without reasonable excuse they had broken their agreements with the employer.

Labour circles in Malaya are stated to feel that after this decision, any employer can refuse to ~~re-engage~~ re-engage a worker after a strike even though the strike may be legal. It is feared that this decision may endanger all the recent gains made by Malayan labour in securing recognition for labour's rights.

(The Hindu, dated 27-10-1947).

43

SOCIAL CONDITIONS.

Greater Bombay Social Welfare Conference,
Bombay, 25 and 26-10-1947: Demand for
Separate Ministry for Social Security and
Welfare.

A conference of social workers in Bombay, termed the Greater Bombay Social Welfare Conference, convened by the Social Uplift Association (India) met at Bombay on 25 and 26 October 1947. The Conference was inaugurated by the Right Hon'ble Dr. M.R. Jayakar; the first day's session was presided over by Mrs. Mithan Lam, Sheriff of Bombay, and the second day's session by Mr. S.A. Brelvi, Editor of the Bombay Chronicle.

Inaugural address.- Inaugurating the Conference Dr. Jayakar stressed the need for scientific training on western lines for social workers in India. The very conception of social work had changed considerably during the last few years and today it encompassed almost every social activity. Problems facing social workers were many and complex and ~~xx~~ trained men were needed to handle them. Social workers in India could borrow many useful things from more experienced nations. Dr. Jayakar asked the Conference to lay down definite methods by which training could be given and suggested the sponsoring of a degree course in social training by the University of Bombay. Emphasising that in social work the first priority should be given to efforts towards reconstruction of the home, Dr. Jayakar observed that the home, to which people ~~xxxx~~ should turn "with ~~throughout~~ thoughts of restfulness, mutual affection, esteem and reliance", was vitally important for the well being of every member of society.

Resolutions.- The Conference passed resolutions asking the Government of Bombay to appoint a Minister for social security and welfare work, draw up a five-year plan to develop ~~xxxxxx~~ health services and introduce the study of health, hygiene and house-keeping in schools. The Conference also suggested to Government to draw a five-year plan at an early date for ~~the~~ economic development of Greater Bombay. The Bombay Municipality was urged to set up a separate department for social welfare work. The Government was also requested to re-introduce the milk supply ~~xxxxxx~~ scheme for the benefit of mothers and children in Bombay. The Conference further recommended to government that school students, including girls, and all citizens between the ages of 18 and 45 should be given compulsory military training. Finally ~~while~~ expressing sympathy with the members of the nursing profession for their present working conditions, the Conference urged Government and other bodies having control over nursing services, to improve their standard of living.

(The Bombay Chronicle, 27-10-1947;
The Times of India, 27-10-1947).

44

Women and Children Welfare Board set up in Burma.

By a Resolution dated 25 September 1947, the Government of Burma has set up a Women and Children Welfare Board, with Daw Rhin Kyi, Member of the Burma Constituent Assembly as Chairman and ten others as members, to assist and advise Government to carry out in respect of women and children the following directive principle of State policy in Article 37 of the Constitution of the Union of Burma:

"The State shall ensure that the strength and health of workers, men and women, and the tender age of children shall not be abused and that they shall not be forced by economic necessity to take up occupations unsuited to their sex, age and strength".

"The State shall specially direct its policy to protect the interests of mothers and infants by establishing maternity and infant welfare centres, children's homes and day nurseries and to secure to mothers the right to a leave with pay before and after child birth".

The Resolution authorises the Board to administer the following subjects and to incur expenditure in connection with the same:-
(a) Maternity and infant welfare centres; (b) The health of school children; (c) The training of nurses, midwives and lady health visitors; (d) The establishment of children's homes and day nurseries; (e) The reformation of juvenile delinquents other than inmates of Borstals and other reformatories under the Prisons Department; (f) Vigilance Societies; (g) The health of juvenile workers in industry; (h) Physical culture for women and children other than for those in colleges and schools; (i) The care of orphans; (j) Waifs and strays; and (k) Boys homes.

The Board is to be reconstituted every three years.

The Resolution points out that as a result of the War, most of the voluntary organisations which were previously in existence were crippled both in property and in financial resources and even with the passage of more than two years since the end of the War there is very little prospect of these being restored to the condition required before they can function on the pre-war basis. To add to this the Government Medical and Public Health Services have also suffered, and even with recent improvements, are still far below the standard required for a nation on the threshold of independence. Manpower is one of the greatest assets of any nation; and in order to conserve the manpower of Burma it is necessary to safeguard initially the health of mothers and children and to provide healthy environments for infants in their early years.

(Supplement to the Burma Gazette, dated
11-10-1947, pages 524-525).

45

PUBLIC HEALTH.

Conference of Madras Provincial Rural Medical
Practitioners' Association, Madras 13 and
14-9-1947 : Medical Aid for Villages urged.

A conference convened specially to consider ways and means to organise ~~an~~ 'Rural Medical Relief on a popular and economic basis', was held at Madras on 13 and 14 September 1947. The conference, which was attended by medical practitioners from all over the province, was presided over by Dr. V. Rama Ramath and inaugurated by the Surgeon-General with the Government of Madras.

Dr. Ramath, in his presidential address, drew attention to the urgent necessity for drawing up a satisfactory scheme of rural medical relief and placing the same before the Government. He first referred to the difficulties experienced by the members of the subsidised Rural Medical Services and pointed out that some of the conditions of the agreement between the authorities concerned and the practitioners under this service had been repealed and that this had caused much injustice to the practitioners. The latest policy of the Government seemed to ^{be to} convert the popular subsidised dispensaries into Local Fund Dispensaries with no guarantee to the subsidised practitioners that they would be absorbed into Local Fund Service. This policy was fatal to the interests of the practitioners, and was likely to wreck rural medical service.

The Surgeon-General, declaring the conference open, said that the Minister of Public Health, who was unable to attend, ~~had~~ sent a message to the conference. The Minister, in his message, ~~had~~ stated that the number of doctors in the province was far below their requirements and that the majority of the existing doctors crowded themselves into towns and cities. Few of them showed any willingness to settle down in rural areas. While 90 per cent of the people lived in villages more than ~~for~~ 90 per cent of the doctors congregated in towns. The Bhore Committee had rightly stressed therefore the necessity for making adequate provision for rendering medical aid of a preventive character for the vast population living in rural areas. The rural medical scheme of the Madras Government ~~was~~ was undergoing steady expansion year by year till the outbreak of the war. During the war years a number of rural dispensaries of modern medicine had to be closed down for want of medical practitioners. After referring in detail to the number of dispensaries in modern medicine and Indian medicine which had been closed and the recent order of the Government raising the annual subsidy given to dispensaries under local bodies ~~xxxxxxx~~ etc., the message pointed out that the Bhore Committee had formed the opinion that the subsidised rural medical scheme had not been a success and that the only satisfactory method of developing adequate health service in the villages was to make a provision for a whole-time salaried service which would enable the Government to employ medical men whenever their services were needed.

16

Government's Scheme.— As regards the Government's post-war scheme it would generally follow the Bhoré Committee's recommendations for a planned medical relief and health work. The Government intended to combine Public Health and medical centres with hospitals of eight beds to serve groups of villages. No village would be farther than five miles from such a centre. There would be taluk centres and district centres also. Curative and preventive service would be rendered together at the same centre by the medical health staff which would be in charge of it. The total number of village centres required in the province was estimated at 1,487. On account of the present financial stringency, the Government had been compelled to reduce the number of these centres to 600. During the first five years, the scheme of combined village centres would be introduced in 150 villages at the rate of 30 centres in each area and they would be supervised by 25 taluk centres to be provided at the rate of five centres in each area. Local bodies would be induced to open more rural dispensaries in areas where the scheme was not implemented. The Minister had finally appealed to new medical graduates to serve one or two years in rural areas. The experience of rural conditions he said would be of great help in the future career of young doctors.

The Surgeon-General after reading this ^{message} ~~speech~~ said that it was his firm conviction that in any scheme of national planning health programme, rural medical relief should occupy the position of the highest importance. In order to provide medical relief in villages there were certain essential requirements, which needed urgent attention. They were development of proper communications in rural parts, adequate medical personnel imbued with real spirit of service, hospitals and dispensaries suited to their needs and conditions, education on environmental hygiene, including sanitation, good water-supply, etc., opening of maternity and child welfare organisations and health education. The people in rural parts should be made health-minded by propaganda and must be made to understand measures for preventing common diseases.

Resolutions.— By a resolution the Conference requested the Government to provincialise the Rural Medical Relief Scheme within a reasonable time and authorised the President to take all the necessary steps to implement this request. The President was also authorised to draw up a scheme for rural medical relief based on the principles of the Bhoré Committee's recommendations, and consistent with public finance with a view to seeing that all the available number of medical practitioners in rural medical relief scheme were given opportunities to serve as large a number of rural population as possible. Regarding the proposal of the Government to establish public health and medical relief centres in firkas, the Conference requested the Government to see that the medical practitioners doing work in and around those firkas for a period not less than 10 years were appointed as medical officers of the firkas for a period of five years in the first instance, on an honorarium of 100 rupees per month. The Government were requested to take legal steps to put down quackery in rural areas and to see that only recognised practitioners of Allopathic system used allopathic drugs and instruments.

The Conference was of the opinion that the conversion of subsidised rural dispensaries ~~into~~ into Local Fund Dispensaries was a retrograde step injurious to the interests of practitioners and the public and would prove uneconomic in the long run and requested the Government to consult the Association before effecting changes in the rules and conditions of Rural Medical Relief Scheme.

(The Hindu, 14 and 15-9-1947),

47

EDUCATION.

Bombay Primary Education Bill, 1947, passed by
Legislative Assembly: Provision for Free
Compulsory Education for Children between Six
and Fourteen Years.

The Bombay Legislative Assembly, on 29-10-1947, passed the third reading of the Primary Education Bill, the object of which is to make primary education free, compulsory and universal throughout the province.

Under the provisions of the Bill, Administrative Officers of district school boards are required to submit for Government's approval schemes to provide compulsory primary education in such areas and for such children of either sex sixth or of both sexes, and up to such standard and within such period as may be specified by Government. When a scheme has been sanctioned, no fee shall be charged within the area of compulsion in any school maintained by the district school board or the authorized municipality, as the case may be, in respect of any child for the standards included in the scheme. In every area of compulsion, the parent of every child to whom a scheme applies shall in the absence of a reasonable excuse, cause such child to attend an approved school in such area. The bill further provides penalties for parents who fail to send their children to an approved school and also for those who employ children coming under the scope of the scheme. A "child" is defined as a boy or girl whose age is not less than six and not more than fourteen years at the beginning of the school year.

The Statement of Objects and Reasons, appended to the Bill, emphasises that it is the intention of Government to introduce compulsory education up to primary fourth standard throughout the province within a period of about 10 years. ~~The scheme of the Bill is broadly explained as follows:~~ In respect of the district school board Government will bear all the necessary expenditure for primary education excepting certain fixed contributions from the district local board and the ~~non-authorized i.e.,~~ smaller municipalities represented on the district school board, and will be responsible for the pay and allowance of all the staff; ~~under district school boards~~ ~~represented,~~ in the case teachers in schools run by authorised municipalities the pay and allowances will be fixed by Government.

Power has been taken to nominate a few persons experienced in education on school boards including one Government officer. Representation for head masters of primary schools has also been made possible on the Provincial Board of Primary Education. For all school boards, provision has been made for the staff to be selected by a Staff Selection Committee. As regards the preparation of schemes in a district school board area a shorter and more direct procedure, than that provided under the Primary Education Act of 1923, has been laid down, the duty devolving on the Administrative Officer himself.

Primary

The Bombay Education Act of 1923 is repealed.

Mr. B.G. Eher, Premier and Education Minister, Government of Bombay, in his speech on the third reading of the Bill, said about 2,600,000 children lived in the rural areas of Bombay and that about 96 per cent of the cost of primary education of rural Bombay would be borne by the State and only four per cent subscribed by the school boards. The problem of education was one of integrating and co-ordinating the various stages of education—primary, secondary and university—and also of adult education. In the past the spread of education was hampered both by financial limitations and by the maladministration of local bodies. There were people who wanted the Government to take over the whole question of education from the incompetent hands of the local bodies. On the other side were violent protests from the local bodies and their champions against the curtailment of their rights and privileges. The Bill was a compromise—an attempt to do the best possible while perfection was unattainable. It had taken into account the fact that one cannot merely rely on the fear of the prison or of the police baton for the spread of education. The co-operation of the people was essential. Mr. Eher hoped that in this legislation they had achieved a system both of providing finance and also of making arrangements for the administration of primary education which would enable them to achieve their object of free, universal and compulsory primary education within the next 10 or 12 years.

(The Bombay Government Gazette, Part V, pages 298-329, dated 17-9-1947; The Times of India, 30-10-1947; The Bombay Chronicle, 31-10-1947).

The Assam Primary Education Act, 1947, gazetted:
Provision for Compulsory Primary Education.

The Government of Assam published on 8-10-1947, the Assam Primary Education Act, 1947, which provides for the introduction of free and compulsory primary education in the province.

The Act empowers the Provincial Government to set up a Provincial Advisory Board for Primary Education for the regulation, control and development of primary education in the province, and maintain a Provincial Primary Education Fund. The Provincial Board, inter alia, will advise the Government on matters relating to: (a) the control and direction of the activities of School Boards, (b) the making of grants to School Boards, (c) the method of recruitment and the conditions of service of primary school teachers and attendance officers, (d) the training of primary school teachers and the making of provision for such training, (e) the curriculum, duration, standard and syllabus of primary education, (f) the preparation, publication and selection of text-books for primary Schools, and (g) the medical inspection and treatment of children, etc.

49

No fees will be charged from any pupil in any primary school under public management. The Act empowers the Government to declare that primary education will be compulsory in any ~~xxxxx~~ area for which a School Board has been constituted and provides that no ~~guardian~~ guardian or person shall utilise the time or the services of a child in connection with any employment of such child, whether for remuneration or otherwise, in such a manner or at such times of the ~~day~~ day as to interfere with the regular attendance of the child at the recognised primary school.

(The Assam Gazette, dated 8-10-1917,
part IV, pages 51-56).

20
The Transition from War to Peace.

Control Measures.

U.P. Prevention of Black Marketing (Temporary Powers)
Bill, 1947, Gazetted.

The United Provinces Government published on 27-10-1947, the U.P. Prevention of Black Marketing (Temporary Powers) Bill 1947. The Bill provides for detention, up to a maximum period of six months, of persons believed to indulge habitually in black-marketing, cancellation of their licences, and closure or government control of their undertaking. The provisions of the Bill, when enacted, are to be in force till 1-10-1948.

The Statement of Objects and Reasons appended to the Bill, points out that owing to the continued short supply of many essential commodities black marketing is still prevalent and it is necessary to eradicate this practice by legislation.

(Government of Gazette of the United
Provinces, Extraordinary, dated
27-10-1947, Pages 18-21).

Food.

Government of India sets up Food-grains Policy Committee to review Food Policy.

A communiqué issued on 5-9-1947 announced that the Government of India had appointed a committee to examine the present position in regard to foodgrains in India, and the prospective position in the next five years, in the light of consideration of the production, procurement, imports, distribution and controls, and advise the Government on (1) the measures which can be taken to increase domestic procurement and production, (2) the extent to which reliance can and should be placed on imports, and (3) in the light of the above, the modifications which may be necessary in the foodgrains policy so far pursued. Sir Purushottandas Thakardas is Chairman of the Committee and among its members are Seth Ghanshyam Das Birla, Sir Shri Ram, Dr. V.K.R.V. Rao, Professor of Economics, Delhi University, Mr. R.L. Gupta, Director-General of Food, Ministry of Food, Mr. D.S. Sakhe, Civil Supplies Commissioner, Bombay, Dr. Sethi, Agricultural Development Commissioner, Ministry of Agriculture and Mr. D.N. Mehta, Agricultural Commissioner, Bombay.

In its interim report submitted in October the Committee is understood to have recommended progressive curtailment of the rationing areas, the free movement of most food grains and a progressive divestment of the responsibility of the Centre so as to enable the provincial Governments to stand on their own feet. The report has not yet been published.

(The Statesman, 6-9-1947;
The Hindustan Times, 19-10-1947).

Post War Reconstruction.

Preliminary Report of Industrial Planning Committee,
Madras: Plea for Industrial Planning by Provinces.

The Preliminary Report by the Industrial Planning Committee set up by the Government of Madras in May 1947* (vide page 72 of the report of this Office for May 1947) suggests in broad outlines the industrial policy which should be pursued in the Province and expresses a decided preference for the planning and control of industrial development by the provinces rather than by the Centre. Among the more important recommendations of the Committee are the nationalisation of defence industries, the control of the location of industries and of industrial production by the provincial Government, the setting up in the province of Regional Advisory Boards and a Provincial Advisory Board to help in planning industrialisation of the province, the establishment of a Provincial Industrial Finance Corporation to provide financial assistance to industry and the setting up of an Industrial Welfare Fund in the province to initiate the welfare measures for the benefit of labour. The report does not cover the entire range of subjects referred to the Committee; nor has the Committee found it possible within the time at its disposal to draw up long-term and short-term plans for the industrialisation of the province. The Preliminary Report merely contains the tentative conclusions of the Committee and has now been published to elicit public opinion. The following is a brief summary of the Report.

The scope and limitations of industrial planning.- Planning in India, in the opinion of the Committee, should be confined, at least for some years to come, to control over production and location of industries. The first objective involves the licensing of industries and the issuing of directions regarding output and standardisation of goods to be produced. By these means, the State will be able to equalise demand and supply and maintain price levels. The control over the location of industries will enable the State to avoid concentration of industries in urban areas with its attendant evils, and will ensure the proper distribution of industries throughout the province. While the State should assist production in the manner mentioned above, the distribution of industrial products should normally be left in private hands. In this connection the Committee has emphasised planning is quite consistent with cent per cent private ownership though, in course of time, it might irresistibly lead towards state ownership. For the purpose of its recommendations, however, the Committee has assumed that the future Government of India will be a democratic Government with a bias towards socialism.

* Government of Madras - Development Department: Preliminary Report of the Industrial Planning Committee: Printed by the Superintendent, Government Press, Madras, 1947: Price, 10 annas: pages 51.

Classes of industries which should be nationalised.- Turning to the question of State ownership of industries, the Committee emphasises the distinction between nationalisation of industries and mere State ownership of industries. Nationalisation implies that a class of industries within a specified area becomes State-owned and that the State assumes monopolistic control of that branch of industry within that area. Mere State ownership, on the other hand, means that the State becomes just another competitor in that branch of industry, along with private enterprise. For the purpose of considering the question of nationalisation the Committee classifies industries under the following heads: (1) Defence industries; (2) Industries connected with the generation of power; (3) Industries connected with transport and communication; and (4) Industries essential to the general economic well-being of the people. The Committee is unanimously of the opinion that the industries grouped under the first head should be completely nationalised and that with regard to those falling under the fourth head full scope should be given for private enterprise as these industries require a greater degree of technical skill and managerial ability for their development than other industries. In regard to the industries falling under second and third groups, however, the Committee has not found it possible to express a unanimous opinion. The majority of the Committee is of the opinion that, though there is a strong case for their nationalisation, considering the difficulties which exist in the way of the Government assuming the management of these industries, the scope for private enterprise should not be ruled out. A minority in the Committee including the chairman feel that the trend of recent thought is that the responsibility for the development of these industries is on the State and it considers it is essential that these industries should also be exclusively owned and controlled by the State in the same way as defence industries.

Respective scopes of Central and Provincial Planning.- On the question whether industrial planning should be done by the Centre or by the provinces, the Committee takes note of the fact that the Advisory Planning Board has recommended that the following 21 industries should be made the subject of central planning, viz., (1) Arms and munitions of war; (2) Coal; (3) Iron and Steel—primary production; (4) Prime movers; (5) Automobiles and tractors; (6) Aircraft; (7) Ship-building and marine engineering; (8) Other heavy machinery; (9) Electrical machinery; (10) Machine tools; (11) Heavy chemicals, fertilisers, pharmaceuticals and drugs; (12) Electro-chemical industries; (13) Non-ferrous metal industries; (14) Rubber manufactures; (15) Manufacture of telephone, telegraph and wireless apparatus; (16) Power and industrial alcohol; (17) Motor and aviation fuel, kerosene and crude oils; (18) Cotton and woollen textiles; (19) Cement; (20) Sugar; and (21) vanaspati. The Committee, however, is of the opinion that this list is too wide and leaves, but few industries for development by the provinces and it accordingly recommends that all industries other than those it has recommended above for nationalisation should be subject to planning by the provinces.

The Committee points out in this connection that much can be said in favour of a uniform planning policy for the whole of India, but there is much to be said against it also. There are factors which either mitigate the possible evils of provincial planning or make it difficult to operate plans evolved by the Centre. In the first category may be included the fact that India is not a country which has reached the optimum of industrial production. For another decade at least, there is no danger of over-production resulting in trade depression and fall in prices and, in the opinion of the Committee, it may be necessary to introduce some measure of control by a Central authority to prevent overproduction only after considerable industrial development has taken place in India. In the second category may be included the fact that India is a vast country, a sub-continent, where enormous distances intervene between province and province. Planning in India should be concerned not so much with the distribution of industries among the provinces, as with their distribution among the different regions in a province.

Plea for Provincial Planning.- Nor has the present system of planning by the Centre yielded wholly satisfactory results. Relying itself on the reports submitted by the respective industrial panels, the Government of India has already taken certain decisions in respect of the textile, vanaspati (vegetable oil), cement and sugar industries. But what the Government of India does under the present system is merely to allocate to the provinces for their quota of future production in these industries leaving the provinces free to invite applications from industrialists to establish as many units of industries as possible within the limits of the quota permitted. There are three serious defects in this procedure. (1) The attempt made by the State to determine the future demands for specific classes of goods within the next five years, especially in the present unsatisfactory state of statistical intelligence, can only be more or less arbitrary. (2) While the Central Government, in assigning the quotas, does not pay adequate attention to the various factors which a private entrepreneur ~~thoroughly~~ thoroughly investigates ~~before~~ before he decides on starting an industry in a particular area, the whole procedure gives to the industrialist an impression that all relevant investigations have been made by the Government. The incentive to start an industry should spring from the industrialist and the Government may control the development by a system of licensing. Industrial surveys and ~~proper~~ propaganda should be undertaken by the Government only to assist industrialists and not for arriving at final decisions. (3) In some cases, it may so happen that the industrialists do not consider the circumstances favourable for the starting of an industry and then the quota allocated to the Province may be lost to India as a whole, since the quota is not availed of in the quota-holding province and is not usually re-allocated to other provinces.

The Committee expresses the fear that if the present policy is pursued the provinces will not assume any responsibility for the industrialisation of their territory. This should not be; Provincial administrations should be entrusted with the responsibility for industrialisation and industrial planning. Only then will they be able to develop an industrial outlook. Any danger of inter-provincial conflict, the Committee suggests, can be solved through ad hoc conferences and the moral authority of the Centre which no province will dare flout.

Location of industries.- As regards the location of industries, the Committee quotes with approval the recommendations made by the Office of the Economic Adviser to the Government of India in its memorandum on the location of industry (vide pages 52-53 of the report of this Office for December 1944). In addition, the Committee emphasises that in sanctioning an industry, the Government should take care to see that the unit sanctioned is an economic unit capable of competing against similar industries. Anxiety to see that every class of industry should be represented in every district should be discouraged. The dispersal of industries among the various districts must be made on the merits of each district in relation to the industry. Another point to be noted, according to the Committee, is that the relatively great importance that is being attached to the location of raw materials or of markets is not justifiable. With the development of transport, these factors have ceased to play an important part in the location of industries in Western countries.

Provincial machinery for the planning and control of industries.- In pursuance of its recommendations that all other industries except those connected with defence, communications and generation of power should be planned and controlled by the province, the Committee proposes that the provincial Government should introduce necessary legislation for taking power for licensing the starting and expansion of industries and should set up six Regional and one Provincial Advisory Boards of Industries. The definition of 'Industries', in such legislation, must be restrictive and should not include cottage industries or small-scale industries, say, enterprises requiring less than 100,000 rupees of capital or involving the employment of less than 50 workers. The term ~~expansion~~ 'expansion' should be confined to the addition of units intended to increase the output of the main product of the industry concerned and not any addition for the purpose of improving the process or for the utilisation of by-products. Six Regional Boards of Industries should be constituted one each for the following six regions into which the province may be divided: (1) Vizagapatam, East Godavari and West Godavari, (2) Krishna, Guntur and Nellore, (3) Karnool, Cuddapah, Bellary, Anantapur and Chittoor, (4) Chingleput, South Arcot, North Arcot, Salem, Coimbatore and Nilgiris, (5) Tanjore, Trichinopoly, and Madurai, Tinnevely, and Ramanad, and (6) Malabar and South Kanara. The strength of the Regional Advisory Boards (R.A.B.I.) may be between five to seven members. They should be nominated by the Government from among persons representing industrial, financial and labour interests within the region. The District Industries Officer of the district where the office of the Regional Board is located shall be the Secretary of the Board. The functions of the R.A.B.I. will be to receive applications for the starting of industries in their areas and to forward them to the Provincial Advisory Board for Industries (P.A.B.I.), together with a memorandum embodying their reasons for or against granting of the licence. The Provincial Advisory Board will be located at Madras. All the members of the P.A.B.I. should be nominated by the Government. It should consist of not less than eleven members, of which six shall be persons representing each of the six regions; two officials of the Government—one the Director of Industries and another not being an official of the Secretariat; three other members representing financial, industrial and labour interests respectively, who should be residents of Madras. The functions of the P.A.B.I. will be: (1) to assume the same functions as the Regional Advisory Boards in respect of Madras City; (2) to consider all applications transmitted to it by the various regional boards, and make ~~clear~~ recommendations thereon to the Government; (3) to advise the Government on any question of industrial policy that may be referred to them.

In the sphere of production, the Committee is of opinion that legislation is necessary in order to secure standardisation of products manufactured. The industries which immediately call for some measure of control by the Government are: textiles, cement, sugar, vanaspati and the building materials industry. The aim of the Government should be to see that as far as possible goods required by the masses are produced in preference to luxury articles. The Committee has accordingly recommended that in these industries Production Boards consisting of representatives of the managements concerned, labour and Governments should be set up immediately with power to decide the quantity and quality of goods to be produced by the component industries.

Development of mineral resources.- It is too early yet to say whether under the new constitution control over mineral development in India will be with the Centre or with the Provinces, but the Committee makes the following recommendations: (1) All essential minerals should be nationalised. (2) All strategic minerals such as coal, lignite, petroleum, mica, beryl and chromite, and all uranium and thorium bearing minerals should be wholly left to the control of the Centre for development. (3) All other minerals including sulphur, gypsum, gold, copper, lead and silver ores will be under the control of the Provinces and States. To ensure the necessary co-ordination between the Centre and the Provinces the Committee suggests the formation of a Central Co-ordinating Board of Mineral Development in which not only the Centre but also the Provinces and States will be represented. The co-ordinating authority will have the power to decide on the assistance to be given to the Provinces or States in the matter of mineral development. (4) Branches of units of the Geological Department of India should be set up in every Province with the necessary equipment and personnel to be able to take up survey and investigation of mineral resources. (5) Provincial laboratories should be established where analysis of ores could be undertaken and researches conducted. (6) The provincial Governments and States should be free to employ foreign geological experts and technicians to supplement any survey or undertake investigation of particular minerals in their area.

Labour and industry: Support for Provincial Labour Welfare Fund.- After referring to the epidemic of strikes witnessed during the post-war period and to the economic causes underlying industrial unrest, viz., rise in the cost of living and the widening gap between the income of the worker and the capitalist, the Committee takes the view that the future policy of the Government in this country will tend towards the establishment of industrial democracy defined as "control of industry by workers and the management under the general supervision of the Government as a whole". If that ideal is accepted, the aim of organised labour as well as of Government should be to maintain for the workers a standard of living consistent with the national economy. This means, the Committee emphasises, that labour should not take up the attitude that it is not concerned with national solvency. The wage level, the price level and the flow of money are all linked together. It is possible to raise the wage level to some extent by cutting down profits. But, if the wage level is sought to be raised still further, the price level must inevitably rise and this may lead to closure of industrial establishments and unemployment. The Committee, therefore, pleads that there must be sanity in wage demands. Moreover in a poor country like India the largest consumers of common goods are the poor and increase in prices is, therefore, harmful. The Government can also do much to raise the real income of the worker by assuming

responsibilities for providing such social amenities as education, medical relief, insurance and housing. In this connection the Committee recommends that Provincial Governments should adopt legislation on the lines of the Coal Mines Welfare Fund Act enacted by the Government of India in 1947. The revenue for the fund may be derived by levying a cess in the case of certain industries, and by a contribution collected from other industrial establishments based either on the total number of workers employed or as a percentage of the total wage bill. The advantages of such a central fund would be to ensure a uniform standard of labour welfare throughout the Province irrespective of particular areas. It will also ensure in the long run, the planning of industrial areas whether in urban or rural parts on modern lines.

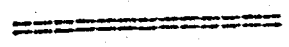
Other steps recommended by the Committee under this head include greater educational facilities for workers to facilitate the movement of labour from the lower to the higher grades and the initiation of works councils and profit sharing schemes.

Financing of Industries.- If industrial development were to take place according to plan, private capital by itself would hardly be sufficient. Madras realised this as early as 1923 and passed the State Aid to Industries Act, which was amended in 1941 so as to include cottage industries also within the scope of the Act. The Committee points out, however, that the Act has not helped to any appreciable extent the process of industrialisation in the province. The conditions required to be satisfied under the Act for the grant of aid scared away many potential applicants. The procedure prescribed for getting such aid involved long delays. The Committee recommends that the Act should be suitably amended and should apply only to cottage industries.

For financing large-scale industries the Committee recommends that in every province an Industrial Finance Corporation should be established on the lines of the institution proposed by the Government of India in its Industrial Finance Corporation Bill (page 24 of the report of this Office for November 1946). For Madras province the Committee recommends a Provincial Industrial Finance Corporation with a share capital of at least 20 million rupees and with power to borrow up to ten times its paid-up capital. At least 51 per cent of the Share Capital should according to the Committee be owned by Government.

Other important recommendations of the Committee relate mainly to the establishment of a Bureau of Information in the provincial department of Industries and a proper system of apprenticeship in industrial craft. For the latter purpose the Committee recommends that legislation should be introduced to institute a Provincial Apprenticeship programme, which should provide for a central authority to determine the standards of apprenticeship training to be given to each class of worker. The central authority should constitute committees consisting of workers and management for each class of industry and all the details regarding apprenticeship training should be left to these committees.

A copy of the Report was forwarded to Montreal with our Minute dated 14-11-1947 and to Geneva with our Minute No. DL/1557/47 dated 14-11-1947.



5

Industrial Schemes of United Provinces Government :
Minister's Press Conference.

Addressing a Press Conference at Allahabad on 29-9-1947, Pandit Keshav Dev Malaviya, Development Minister in the United Provinces, expressed the firm determination of the United Provinces Government to go ahead with its schemes of industrialisation for the province.

Shellac industry to be developed.- Steps were being taken to start a big shellac products industry in Mirzapur. Training would be given to a number of men at Ranchi, a well-known centre for research in shellac paper plastic. It was hoped that in a few months a shellac paper plastic products industry would be set up in Mirzapur. Steps to extend the cultivation of stick lac were also being taken in Mirzapur district.

Textile industries.- The handloom industry would receive special attention from the Government. It was proposed to reserve more and better quality yarn for handloom weaving, and the Minister hoped handloom weavers and their associations would co-operate with the Government in their efforts to standardise handloom products. The Government was making Dehra Dun the centre of the sericulture industry, for supplying silk worm cocoons to other parts of the province and steps were also being taken to develop the woollen industry in the hilly regions and Bundelkhand.

Leather industry.- Efforts were also being made to help the province's cottage industry in leather. Encouragement would be given for leather tanning and manufacturing centres in rural areas on a cottage industry basis.

Technical education.- In the sphere of technical education the Government had already issued instructions for the overhaul of the system. Many vocational institutions had been opened and the Government proposed to help trained students in establishing business.

(The Statesman, 30-9-1947).

Bombay Legislative Assembly approves Nationalisation
of Road Transport.

The Bombay Legislative Assembly adopted on 8-10-1947 a resolution moved by Mr. Morarji Desai, the Home and Revenue Minister in the Bombay Government, outlining the Government's proposal to nationalise the road transport system in the province.

Financial implications.- The Minister, outlining the financial implications of the scheme, said it was estimated that the approximate annual expenditure would be a little over 49 million rupees and the annual income between 55 and 72.5 million rupees depending on the rates charged. The present rates charged by private operators, were nine pies per ~~miles~~ mile in districts and six pies in towns. These would be the maximum Government rates but they hoped to reduce them at the same time ensuring the interests of the travelling public.

(The Hindustan Times, 9-10-1947).

87

Central Board to Coordinate Development Plans
in Pakistan: Dr. Nazir Ahmed outlines future
work.

The Government of Pakistan has recently appointed a Board of Development to coordinate schemes of development drawn up by the provincial and central departments and recommend priorities for the execution of the schemes.

Outlining the work of the Board in an interview to a press correspondent at Karachi on 15-10-1947, Dr. Nazir Ahmed, its Secretary, stated that the Government had big plans for the development of the Pakistan areas in all spheres of national activity—education, communication, commerce and industry. But owing to the disturbed conditions prevailing all over India and Pakistan and the dislocation of the transport services, the government departments of the Board had not been able to start formulating their plans. Further, while considering new projects, old post-war provincial and Central plans affecting the Pakistan areas and approved by the old regime had to be re-examined to see to what extent those plans should be modified in view of the altered political and constitutional conditions. Along with this, the Board intended to start making new plans for the future development of Pakistan. In making these plans, attention would naturally be paid to those schemes for which raw materials were readily available, but at the same time other lines of development which were essential for the State or highly beneficial to the community would not be neglected.

One of the first tasks, according to Dr. Nazir Ahmed, was to carry out surveys of the Pakistan areas in order to collect essential statistics. The surveys should be carried out along four different lines: (a) geological survey to find out the mineral wealth, (b) power survey to set up hydro-electric and thermal stations for the supply of power to industry and agriculture, (c) oil and petroleum survey and (d) a survey of raw material resources of Pakistan. Not much was known as regards the potentialities of oil, petroleum and minerals in Pakistan and he suggested that the surveys of both the zones of Pakistan should be carried out according to the latest scientific methods, taking each zone as a unit for this purpose. Apart from mineral resources, the other necessary conditions for the success of the development schemes was the availability of technical and scientific talents for the service of Pakistan which should be utilised to the best advantage, while plans should be made to make up the deficiency in the requirements and the available personnel.

(Dawn, dated 16-10-1947).

60

Economic Planning Board set up to plan Economic
Development of Burma.

Composition.- The Economic Planning Board Order, 1947, issued by the Government of Burma on 16-10-1947, provides for the setting up of an Economic Planning Board for the purpose of evolving a plan or plans for the economic development of Burma. The Board which will be responsible direct to the Cabinet through the Minister for National Planning will consist of the following: Secretary, National Planning Department, who will be chief Executive Officer of the Board; Secretary, Finance and Revenue Department; Planning Adviser to the Government of Burma; Economic Adviser to the Government of Burma; and three individuals to be appointed by the Government.

Functions.- The order provides that it shall be the duty of the Board to survey the economic resources of the country and evolve for the consideration and decision of Government a plan or plans of economic development ~~encompassing~~ covering such period or periods as the Board may determine, and to co-ordinate the activities of Departments in the execution of the plans.

The Order, finally, dissolves the National Planning Board set up in May this year to which reference was made at pages 73-74 of the report of this Office for May 1947.

(The Burma Gazette, dated 25-10-1947,
Part I, page 689).

Industrial Research Institute to be set up in
Burma.

The Industrial Research Institute Order, 1947, issued by the Government of Burma on 22 September 1947, set up an Industrial Research Institute Board, with the Minister for National Planning as Chairman, to supervise the setting up and organisation of an Industrial Research Institute in Burma. The Order specifically requires the Board to act on business principles with due regard to the interests of the general public and to be ~~ga~~ guided by such principles as to policy as may be indicated to it by Government.

(The Burma Gazette, dated 11-10-1947,
Part I, page 649).

List of the more important publications received at the New Delhi Office during October 1947.

National Labour Legislation

Ordinance No. 55 of 1947, Ceylon - An Ordinance to amend and consolidate the law relating to mines and quarries and to make provision for the health, safety and welfare of workers in mines and quarries and for other matters connected with or incidental to the matters aforesaid. Printed at the Ceylon Government Press, Colombo.

Economic Conditions

- (1) The Indian Cotton Textile Industry - 1946-47 Annual. Gandhi and Co., Bombay. Price Rs.6.
- (2) A Monograph on Handloom Weaving Industry in India - 1947 (Its Past, Present and Future) by M.P. Gandhi. Price Re.1-8-0. Messrs. Gandhi and Co., Bombay.
- (3) ~~Indian~~ Stocks of Indian Raw Cotton held in India by the Mills and the Trade on 31st August, 1946; Statistical Leaflet No. 2, Indian Central Cotton Committee; July 1946, Bombay.
- (4) Receipts at Mills in India of Raw Cotton Classified by Varieties, 1945-46 Season: Statistical Leaflet No. 3, Indian Central Cotton Committee; July 1947. Bombay.
- (5) India's National Plan - Its Nature, Scope and Administration, by K.T. Shah. Vora and Co., Publishers Ltd., Bombay 2.
- (6) Annual Report of the Industries Department for 1943-44. Superintendent, Orissa Government Press, Cuttack. 1947.

Employment, Unemployment and Vocational Training

Report on

~~Apprenticeship~~ Apprenticeship Training. September 1947. Printed at the Ceylon Government Press, Colombo. Price Re.1-15-0.

Co-operation and Cottage Industries

- (1) Annual Report on the working of Co-operative Societies in the United Provinces for the year 1944-45. Allahabad: Superintendent, Printing and Stationery. 1947. Price 8 annas.
- (2) The Future of the Co-operative Movement in India, by Anwar Iqbal Qureshi. Oxford University Press, Bombay. Price Rs.6.

Social Conditions

Annual Administration Report on the working of the Criminal Tribes Act in the Province of Bombay for the year ending 31st March 1946: Part I. Bombay: Printed at the Government Central Press. Price Annas 3 or 4d. 1947.

Post-War Reconstruction

Report of Heavy Chemicals and Electro-Chemical Industries Panels. Delhi: Manager of Publications. 1947

Miscellaneous

- (1) Handbook of Information on the Administration of the Province of Bombay. 1947. Price Rs.3-2-0.
- (2) Supplementary Report on Fundamental Rights submitted by the Hon'ble Sardar Vallabhbhai Patel, Chairman, Advisory Committee on Minorities, Fundamental Rights, etc. (No.CA.24/Com./47, Constituent Assembly of India, Council House, New Delhi, the 25th August 1947).