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**CRISIS**  
and  
**WORKERS**

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AITUC PUBLICATION

# CRISIS and WORKERS

by  
S. A. DANGE

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*Report to AITUC General Council*  
(Bangalore Session, 14-18 January 1959)

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# Declaration

*(Adopted by the General Council of the AITUC at its  
Bangalore Session, 15-18 January 1959.)*

THIS MEETING OF THE GENERAL COUNCIL OF THE AITUC draws the attention of the working class and the toiling people in general to the serious offensive against the industries in the public sector that has been launched by some of the big businessmen in the private sector in order to halt the growth of the public sector and sabotage nationalisation, to bring ruin to the industries of the public sector and then buy them up for private profits.

This offensive is actively aided by the Anglo-American imperialists, bankers and financiers, who counting on the needs of development of our national economy, lay down conditions for their aid which are detrimental to the interests of our people and our freedom. They insist on giving aid to the private sector capitalists alone, except in those industries where the private capitalists do not want to take up activities for fear of low rates of profit, risks, etc.

Not only that, they dislike our public sector. The World Bank even disapproved of the State going in for such industries as oil, heavy engineering, etc. They interfered in our internal affairs and against the working class by criticising our social schemes of welfare, wage levels and asked for implementation of reactionary policies as demanded by the private profiteers.

Certain Congress and other groups in Parliament also have demanded a halt to the growth of the public sector and have openly suggested 'de-nationalisation' of part of the public sector and giving it to the private profiteers, viz., oil, fertilisers, etc. Certain committees are known to have recommended that most of the public sector factories should be given out to management by private business and that the public sector should be managed by independent corporations and businessmen. The check-up and criticism by Parliament of such corporations are also sought to be removed.

The General Council is glad to note that the Prime Minister and certain of his colleagues have become conscious of this danger to the public sector and have denounced it. The General Council notes with satisfaction the fact that the Defence Department has decided to undertake the full manufacture of trucks and tractors in the public sector. The foreign monopolists and their Indian partners have been sabotaging the full and complete manufacture of cars and trucks inside our country despite promises and despite their plants having been in operation for a number of years and fed by the public and government orders.

*The General Council hopes that this trend of the Government of India will not weaken before the onslaughts of the private sector, particularly in view of the fact that there are within the cabinet and the Government, certain ministers and officers who from within act against the public sector and in favour of the private profiteers.*

The General Council notes that it is not possible in the present conditions, to eliminate the private sector altogether and that it should have opportunities to develop within limits and in consonance with needs of the country and the people.

*But what the big monopolists want is not such development but total power over the economy and politics of the country, their self-aggrandisement at the expense of the working class through low wages and high profits, monopoly control and high prices, and above all, an alliance with Anglo-American finance. This must be fought by the working class, because they hit our direct interests and also those of the people.*

The corruption revealed in the Chagla Commission report and the reported findings of the Vivian Bose Committee, the way in which some officers of the Government while in employment or on retirement serve the private profiteers, lends strength to the attack on the public sector.

*Though it is not that all public sector is in a mess or that all the official apparatus is incompetent, yet, it is necessary that the governmental machinery be subjected to democratic check up and supervision through the Parliament above, and elected Works Committees below, through trade union rights to the employees and general people's vigilance.*

In the demands and rights of workers in the governmental services and the public sector are attacked, it not only harms the workers, but also strengthens the reactionary private monopolists and their foreign inspirers. It weakens democracy and paves the way for reaction.

*The General Council calls upon all workers to defend the public sector against attacks of corruption, sabotage and denationalisation, to demand its extension and further nationalisation of such key things as the big banks, mining and plantations and automobiles, to demand ba-*

*lanced distribution of industries in various States, to demand satisfaction of the legitimate demands of the workers, a stop to the attacks on the rights of the workers in the governmental services and public sector and strong action against those in the ruling circles, who mismanage or sabotage the growth of the public sector in league with the Indian monopolists and their foreign allies.*

# CRISIS AND WORKERS

## 1. Recession In Capitalist Countries

IN THIS REPORT I WISH TO COVER THE GROUND SINCE THE Ernakulam session, not merely from Darjeeling where we met in the Working Committee in May last year. So it should be more or less a review of developments of the last one year and since we are meeting in January, beginning of the new year, it would not be out of place to make it a review of 1958.

Naturally, the first thing that we study is the question as to what is happening to our economy and what are the main trends of economic activity during the period under review. We have to consider not only the conditions in India but on the whole world plane and see where the Indian economy stands in the context of world developments.

The main thing that draws our attention in 1958 is the recession in the economy of all the capitalist countries. We are familiar with this fact and had occasion to refer to it in the Delhi meeting of our Working Committee in mid-1957.

At that time, we stated that the crisis is creeping into the economy of the capitalist countries and might affect us. After Delhi, when we met at Ernakulam in our 25th Session (December 1957), we found that the crisis had become more pronounced. By May 1958, the crisis was already on us with quite some severity and we discussed this question in the Darjeeling meeting of the Working Committee.

Now we have to raise the question again, and reviewing the economic trends as they have emerged, we may make the following observations.

The years 1957 and 1958 have been years of recession and capitalist crisis and *all* the capitalist countries without exception were enveloped in this crisis. Why do we say *all* capitalist countries? Because, there were two previous recessions in world capitalist economy, the first in 1948-49 and the second in 1953-54 in which all capitalist countries were not involved *simultaneously*.

The recession in 1948-49 took place immediately following the Second World War. It was somehow contained or halted, since all the capitalist countries were not affected by the crisis, and, in fact, in some countries, there existed boom conditions.

The second crisis was in 1953-54 and in this crisis also, some countries were not affected. But those countries which had escaped the recession in 1948 had succumbed to it in 1953. This also was halted and contained and again the economy moved forward. We were told that capitalism had now achieved stable conditions to take the economy forward, promising increase in production and prosperity for all by building up what they called in America 'people's capitalism'. And then came the crisis again 1957-58.

What is the main characteristic of the present crisis? How does it differ from the previous ones? Of all the three economic crises experienced by world capitalist economy in the post-

Second-World-War period, the present one is more persistent, widespread and deep. Economists of the bourgeoisie all over the world accept it as such.

The richest country of capitalism, the us, has suffered a severe depression though it is not of that kind it had in 1930.

The Research and Planning Division of the UN Economic Commission for Europe (ECE) in its study of the situation, discusses all the three recessions in relation to American trade and monetary policies. The ECE study says:

The 1948-49 recession was in the nature of a brief adjustment to the disappearance of post-war scarcities in major markets possibly provoked and, to some extent, intensified through mildly restrictive credit policies and the 1953-54 recession was largely the product of declining Federal expenditures. The present recession, however, appears to exhibit the main characteristics of a typical business downturn. The downturn followed after a long period of rising investment, during which its composition changed towards shorter-term investment with residential construction declining already from the middle of 1955. The fall in the output of durable manufactures occurred earlier and was much steeper than for non-durable manufactures. Finally, there was a considerable delay between the start of the decline in industrial production and the end of net inventory accumulation. (Quoted in *Commerce*, 12 July 1958, page 66.)

In short, it admits that this one was a really serious recession: it exhibited the malady of capitalist crisis in almost all aspects, though the review uses only monetary categories to say so.

This conclusion is fully borne out when we survey the conditions in individual capitalist countries. Let us take the richest of them, because they are supposed to overcome all the ills of capitalism and offer the best social security to the people

under their 'democratic' regime.

The *United States of America*—the richest country of capitalism—is undoubtedly very prosperous, and endowed with a very high productive capacity. The example of us prosperity is quoted against our criticisms of the capitalist system. They say, in the United States of America, there is 'people's capitalism', where everything is decided by the 'democratic method'. There, we are told, every man is employed and rich enough to live without fear of poverty, to work and earn as he likes. In fact, prosperity being so high, they claim, there is no class distinction left as between the rich bourgeoisie and the poor working class.

What picture did this richest country of people's capitalism present in 1957-58?

Steel production capacity had shut down to the extent of 55 per cent. Five million workers were rendered idle. Even conceding that unemployment is 'inevitable', the richest country should at least be able to provide social security to the jobless persons. We find, however, that they could not provide the needed social security protection.

The next richest capitalist country which showed the same features was *England*.

The Organisation for European Economic Co-operation (OEEC) has produced a report covering 18 months till June 1958. It predicted a worsening condition for the British recession. It has proved true. Reporting in December 1958, the London correspondent of *Commerce* said that 'production is running at 4 per cent below that of an year ago and unemployment in mid-November at 536,000 is *double* what it was an year ago.' Five lakhs unemployed might look insignificant when compared to our figures running into millions but then it has to be remembered that in England during the last ten years, the number of jobless persons was only about one lakh.

What is the situation in *West Germany*? West Germany is described as a country of '*capitalist miracle*' in post-war reconstruction and prosperity. But this 'miracle' also has been exposed as being nothing but the same old capitalism that periodically suffers from crisis, each one worse than the last.

There is a very interesting report in the *Eastern Economist* (19 December 1958, page 935) on West Germany which unwittingly lays bare the hoax of the German miracle. In part, the report reads as follows:

The depression in the coal and steel industries is, at first sight, impressive. Steel output in November 1958 was 18 per cent below November 1957; output of pig iron was 17 per cent lower. The steel mills have been slowing down throughout the year, and last month was the worst to date. Over the first 11 months of the year, steel output was 6 per cent lower than in the same period of 1957 and output of pig iron, 8.5 per cent lower.....

The situation in the coal mines is even more dramatic. Raisings have been cut back, working time reduced and some pits left idle—and yet stocks continue to accumulate. Output in November fell to 10.7 million tons (against 11.7 million tons in October), but on the first of this month, pithead stocks were at the very high figure of 12.7 million tons.

The slump in West German coal industry has been ascribed partly to the 'excessive import of American coal ordered some time ago on long-term contracts which the Americans insist on fulfilling immediately.' Here we find, therefore, that the Americans not only treat us badly because we are underdeveloped but even the country of '*capitalist miracle*' could not escape the us policies ruining their national economy. According to the *Eastern Economist*:

The Federal Government (of Germany) at last is determined to choke off this flood of unwanted imports (all the more unwanted because West Germany continues to

run a heavy deficit of her trade with the us).

The article also highlights the absurd situations the capitalist States find themselves faced with in trying to avert the crisis:

It should be noticed in passing that if the Coal and Steel Pool (of the W. European States) had been allowed by member Governments to function properly, it would have coordinated West European coal imports and thus avoided the present absurd situation where the two countries (Germany and Belgium) have excess coal supplies while coal raisings continue to increase in neighbouring France. Another cause of coal crisis is an unintelligent tax structure that disadvantages coal in favour of mazout, a petroleum product, and thus forces demand away from the abundant domestic power source to the imported one.

The story of West Germany does not end there. The most important component of the West German 'miracle', according to the bourgeois propagandists, is the *high productivity* of the W. German worker and we are told to emulate his example. But how did the German worker fare? To quote again:

So these two spectacular symptoms of depression can be ascribed to non-cyclical causes, or at all events are expected to be removed by other than anti-cyclical counter-measures. Apart from them, there are few or no signs of recession in the West German economy. . . . . True, West German labour is working rather shorter hours but this is a secular trend made possible by increased productivity. Two-thirds of the labour force now works a 45-hour week, against 48 hours last year; gross national product is nevertheless expected to rise this year by 3 or 3½ per cent., thanks to a rise in productivity.

And the standard of living of the German worker has remained at a 'very mean standard'. What a recommendation and tribute to the movement for high productivity launched by

the bourgeoisie!

Rising incomes combined with steady prices have served to encourage both consumer outlays and private savings, and hence domestic capital outlays. Consumer expenditure is expected to show a rise over the year of 3 per cent. This is not very much, not nearly as much as West Germany could afford and not as much as one would like to see in view of the relatively *mean standard of living (particularly as regards food and drink) of the mass of the German people*. It is a subject of disappointment for the neighbouring European countries who had hoped to sell more consumer goods in West German market.

The correspondent of the *Eastern Economist*, however, comes to the optimistic conclusion: 'In short, not only does West Germany show no real signs of recession but she has the means to ensure that her European neighbours do not suffer a recession.' High productivity, yet mean standard of living, shorter working, crisis in coal and steel, unemployment—and the writer calls them no real signs of recession! What an economist! If this is the conclusion of bourgeois theoreticians, then you can imagine what is happening to their thinking!

Thus, twelve years after the Second World War, despite all talk of planning capitalism, building 'democratic' or 'people's capitalism', welfare states, firm resolve to end poverty all over the world, those very countries, who flaunted their wealth and civilisation and decried the economies of the socialist countries, are suffering from crisis, recession, factories lying idle, millions unemployed—the usual phenomena of capitalism, of poverty in the midst of plenty.

Hence the conclusion we carry to our working class is that none of our theories of capitalist crisis stand challenged: in fact, our analysis stands confirmed by all the developments that took place in the capitalist world during the last twelve years. We present before the working class the conditions in the richest capitalist countries. And how rich! Even the lead-

ing countries of socialism have set targets in terms of overtaking the advanced capitalist countries in per capita production. But their 'richness' also consists of periodic booms and depressions, poverty amidst plenty and unemployment and misery to the toiling people.

In contrast to this is the picture in the Socialist Camp. There we see no bogus miracles of West German capitalism but real miracles, planned and worked out by the power of the working class are taking place. Science and technique have advanced so rapidly that they have launched not only sputniks round the earth but a tenth planet on the solar system.

The Soviet Seven Year Plan targets and the great leap forward in Chinese economy are eloquent pointers to the rapid growth of the socialist economy. There they have no idle capacity. Even China with its 650 million people feels shortage of manpower. Output of foodgrains doubled in one year (375.0 million tons in 1958, an increase of 190 million tons over 1957); coal raising up by 139.7 million tons in one year (1958 production = 270.2 million tons); 1958 steel output (11.0 million tons) double that of 1957—this is what China achieved in the same year the richest countries of capitalism suffered from an acute economic crisis.

And while every country of capitalism, including the richest, was suffering from crisis and from the worst scourge of capitalism, namely unemployment and starvation, in no country of socialism, including the poorest, like small Albania or comparatively under-developed Poland or Hungary, was there a crisis of production, leading to closure of factories, unemployment and starvation.

This is the real miracle—the miracle of socialism.

No unemployment, no crisis of over-production, balanced, ever-expanding production, rising living standards and cultural advancement of the working people—such is the world of real socialism.

## 2. Imperialist Methods To Resolve Their Crisis

LET US NOW SEE HOW THE CAPITALIST ECONOMIES TRY TO RECOVER from the crisis.

The imperialists try to resolve the crisis by attacks on the workers in their own country, secondly, by attacks on the under-developed countries (as seen in the American invasion of Lebanon and British landing in Jordan to invade Iraq), and, thirdly, by cut-throat competition in their own ranks (as is seen in the quarrels of the European Common Market). In this period, the anti-colonial phenomenon has become so strong that the imperialists are now trying to retain their hold by new desperate methods.

Alongside we also see some new States coming up, especially in Africa. On the African continent, for the first time in history, have emerged national States as in Ghana, Cameroons, Sudan, &c. The whole of the African continent, its millions, on whose slave labour the imperialists have fattened so long, are fighting for liberation. In the next period, we may expect

this region which is becoming cohesive, coming into direct conflict with the most entrenched imperialist base—in South Africa. And as it was visualised, after the Second World War, the reserves of imperialism in Asia, Africa and Latin America are collapsing very vast.

In order to halt this trend of national liberation, the imperialist attack is now coming in a new way. That stage in which the imperialists could give some concessions, and some amount of independence to these countries and keep them in their orbit of economic exploitation is coming to an end. The imperialists find that these countries soon outrun the limits set on their independence and become a danger to the very existence of imperialism. Because, once these people rise, and the initiative of the masses is released, then imperialism does not know where it all will end. They have, therefore, come forward with new tactics—the last method of holding the colonies or the under-developed and dependent countries—that is, to prevent the logical development of the newly liberated countries towards full economic independence, democracy and progress, by inciting the reactionary landlord-bourgeois classes of these countries to instal regimes of military dictatorships amenable to their imperialist influences. It is an old tactic of American imperialists, with which they have held many Latin American countries in their grip. As a part of this very tactic, they have set up the Pakistan military regime and are helping it to create tensions with India. Behind all these, of course, is the general strategy of preparing for war against the socialist camp.

When we discuss this phenomenon, we shall have to tell the workers certain straightforward things. For instance, there is the tendency to equate the military dictatorship in Pakistan with that of Iraq. Therefore, we must tell the workers that it is not enough to see whether a Government has come to power by use of armed or military force. One must ask by whom and against whom that force has been used. A military dictatorship with people's support and against reactionary elements is one thing; if it is against the people, it is another thing. In Iraq, the military dictatorship put down the pro-

imperialist landlord regime and gave land to the peasants. So the Iraq dictatorship is democratic since it gives land to the peasants and democratic liberties to the people and fights imperialism. Again, as we see in Algeria, a real people's war is going on against the military dictatorship of French imperialists. In Cuba, the pro-imperialist dictatorship of Batista is defeated by the people's uprising. Therefore, when we campaign for Afro-Asian solidarity, the real content of the new phenomenon and the new tactics of imperialism should be properly explained to the working class.

Thus the manoeuvres of the imperialists to reverse or halt the process of liberation of the under-developed countries and to solve the crisis at their expense is not becoming very successful.

We must not, however, think that the imperialists have exhausted their capacity to halt the crisis of their system altogether. Even though this third recession since the war is deep and widespread, there is already talk that the growth of the recession has been halted, that production in the us and Great Britain is again moving up.

Edwin L. Dale of the Washington Bureau of the *New York Times* writing in December says as follows:

As this is written, more than four million Americans are still out of work and looking for jobs. And it can be stated confidently that the 1957-58 recession—the most severe since World War II—is over. That is, the economy has moved decisively upward from the low point reached about last April, is still moving upward and shows every sign of continuing to do so well into 1959.

This optimism is based on the fact that steel production in the us which had shrunk to 45 per cent of capacity has picked up and is well over 80 per cent.

In Britain, the London *Economist* reports:

By revising upward their first estimate of industrial output in October and reckoning a further improvement in their similar first estimate for November, the statisticians of the Treasury are suggesting that a turn may have taken place in the economy much earlier than *anybody* except Mr. Ian MacLeod had been prepared to forecast. . . . . There is a *smell of better business in the air.* (10 January).

It is not necessary here to discuss all the measures adopted by the various capitalist governments to halt the growth of the crisis and attempt a recovery. The modern imperialist State and the monopolies have most powerful financial and other mechanisms to intervene in the crisis and halt it but temporarily.

In America and England, while current production had been cut by closure of factories and unemployment, the stimulus to new demand was given through undertaking public works, housing, buying on instalments, easy credit money, etc.

In England, advantage of the depression was taken to introduce rationalisation and speed up and tough opposition to wage increases.

The imperialist countries also made vast gains from the fall in prices of the primary commodities they bought from the under-developed countries. The fall in their prices endangered the economic development of these countries and compelled them to seek more help, more capital and credit from the imperialist countries. They too agreed in order to find outlet for their capital and also to get a greater hold on the colonial economies.

Describing the effects of this phenomenon in the financial world of capital, the London *Economist* wrote under the heading 'Recession's Financial Paradox', as follows:

On the one hand, the toughening of world markets

and the increased dependence of the less developed countries on external capital have forced them to take more note in their development planning of financial realities; indeed, the world over there is greater appreciation of the need to align domestic aspirations with the means of fulfilling them, which often depend to an important degree on relations with the world economy. On the other hand, the major creditor nations have become alive to the need to provide more room for manoeuvre in international finance, and have agreed to make more credit available, both directly and through well tried international institutions. On both counts, therefore, the prospects for exchange stability and for economic expansion on a sound base appear much more favourable than a year ago. That is the paradox of a year in which total production in the free world has fallen for the first time since the end of the war. (22 November, 1958).

The advice is clear. The poverty of the backward countries compels them to borrow and the crisis of imperialism compels them to lend. But the 'backwards' must not develop too much and expect too much. In that lies stability for both! Poverty and riches both must stabilise each other!

Everyone knows that this has a clear meaning for us in India. We have suffered from recession, from shortage of capital goods and foreign exchange. We know how the Anglo-American bankers' meeting in Delhi in October 1958 made a great show of coming to our rescue. The meeting very vividly showed how our economy is kept dependent on foreign support and how these gentlemen bankers use it to their benefit.

### 3. Indian Economy In 1958

#### WHAT IS THE POSITION IN OUR COUNTRY?

Ours is an under-developed country, that is, under-developed industrially. We are trying to take a jump forward in industrial development. We want to lay the foundations of prosperity through five-year plan developments.

Our economy is supposed to be governed by planning, if not to the full extent as in socialism, at least to some extent.

What has been revealed in the last two years of the Second Five Year Plan?

In March 1958, the Government in their budget statement admitted that the boom in our economy had come to an end.

The statement the Planning Minister made in Parliament on 17 September 1958 on 'reappraisal of the Plan' says:

I shall say something about production during 1956-57. The index of agricultural production rose by about 6.1 per cent as compared to the last year of the First Plan. In the second year, however, there has been a decline of 7.8 per cent as compared to the previous year. The outstanding fact of the *agricultural* situation is *fall* in the production of foodgrains from 68.8 million tons in 1956-57 to 62.1 million tons in 1957-58, that is, a decline of 9.7 per cent.

With regard to *industrial* production, the noteworthy fact is the *slackening* rate of advance. There was a rise of only 1.5 per cent in 1957-58 as against 8.6 per cent in the previous year. The deterioration, I believe, reflected the difficulties experienced by the textile and light engineering industries. The reasons were different, of course. In the one case, it was the difficulties arising out of the cuts in imports, and in the other case, it was the general slackening of demand, for which, of course, there are various reasons.

According to the *Eastern Economist* (5 December 1958),

The rate of industrial growth took a downward trend in the year 1957 when the index showed hardly a rise of  $3\frac{1}{2}$  per cent over 1958.....

On the basis of seasonally uncorrected figures for the first seven months of 1958, there has been a fall of 4.7 per cent over the corresponding period of 1957. It means that the level of *industrial production in 1958 may be lower than in 1956*. (emphasis added)

The unemployment figures also rose in this period. The employment exchange shows that as against 7.58 lakhs on the live register in 1956 and 9.22 lakhs in 1957, the figure for 1958 (September) jumped to 11.53 lakhs.

The recession in the imperialist countries had affected our exports leading to closure of some mines and factories.

The shortage of foreign exchange had curtailed the im-

ports of some industrial raw materials required for our plants. This also led to some temporary closures or curtailment of production.

From our direct experience in the TU movement, we know it for a fact that in 1958, we suffered from the effects of recession. Let us look into some of the indicators of the state of our economy.

The prices of goods supplied by the metropolitan industries did not fall to the extent that our commodities fell. The big monopolists of England and America have greater holding power over their industrial production and prices than we, with our small-scale agriculture and industry have. Who reaps the benefit? The fall in prices of our export commodities benefited England to such an extent that the Organisation for European Economic Cooperation in its report on British economy admits that the improvement in the balance of payments (of England) is due to the fall in import prices—with their bad effects on the lowest developed countries supplying materials.

The financial crisis of the Government of India and the Plan was seen in the heavy decline in the foreign assets of the Reserve Bank of India, in the early part of the year. Appeals for aid to the Anglo-American bankers did not prove effective and the Government came forward with proposals to cut down the size of the Plan. That is just what the enemies of the development of Indian economy wanted.

The Anglo-American bankers from the very beginning of the Second Plan had criticised it mainly on seven counts: *one*, the Plan was 'too ambitious' meaning thereby that it should not go in for heavy industries on the scale it wanted. *Two*, it emphasised too much the role of public sector, which entered into spheres where it should not, *viz.*, steel, oil, etc. *Three*, it did not leave much incentive for foreign private capital to go in partnership with Indian private capital. *Four*, it spent too much on social schemes, that is, education, medical services, village relief, etc. *Five*, it did not suppress the working class

and its demands with enough vigour to bring down costs and increase profits. *Six*, it had not given up talk of nationalisation, which frightened private capital. *Seven*, it must not tax foreign capital heavily and must allow the remittances of profits and capital in foreign currency.

The World Bank Mission, which came to India to report on foreign aid, made these demands on the Government of India if it wanted Anglo-American help. This was the way in which they attacked our 'independent development', not through military force but through the more vicious and strangling power of the 'economic force'.

For fear of exposing the true nature of American philanthropy and aid and also for fear of offending these Shylock patrons of the poor, the Government of India has refused to publish this Report, though it is circulating in the international banking world.

The balance of payments position was developing as follows since the Second Plan.

	(Rs. Crores)		
	1956-57	1957-58	1958-59 (April-Sept.)
1. Exports	635.1	594.5	253.5
2. Imports	1095.6	1174.8	526.0
3. Trade Balance	-460.5	-580.3	-272.5

Thus the low prices and falling quantity of our exports and the rising prices of our imports from the imperialist countries pegged at high levels by the monopolies, led our trade into serious deficits and became one of the serious factors in our crisis, in cutting down the Plan and surrendering to the demands of the Anglo-American bankers.

The sinister hold that foreign monopolists have on our

foreign trade enabling them to juggle with our economy and our foreign earnings can be seen from the Reserve Bank study of "External Transactions of Foreign Controlled Companies in India":

The foreign controlled companies provided about 28 per cent of India's total private imports. Almost the whole of the country's mineral oil imports was secured through these companies. Two other commodities in which they held a substantial share were chemicals, drugs and dyes (40-46 per cent).....

The external transactions of all categories of foreign controlled companies, taking payment and receipts on merchandise and invisible accounts, aggregated some Rs. 479 crores in 1956 and Rs. 470 crores in 1957. In both the years about 25 per cent roughly, of the external transactions on private account were conducted through these companies. (*Reserve Bank of India Bulletin*, January 1959)

But that was not the only factor in our crisis. If our economy were really a planned economy, if imports and exports were not put at the mercy of the private profiteers by a Government, which looks more to the interests of the big bourgeoisie than the people, this situation could have been controlled to a large extent.

The Plan had in mind the utilisation of our foreign balances and aid for definite schemes of industrialisation. The priority in imports should have gone for plants and projects in the state sector first and the private sector next. But the Government of India ministries of both Commerce and Finance allowed the private sector industrialists to run away with foreign exchange for their own schemes. It caused an uproar in the Parliament. But the theft had already been committed. National need had been sabotaged for private greed. How 'smart' was this work and how the national pocket had been picked by the deft hand of 'private enterprise' is told in plain words by no less an authority than the ex-finance minister of the Government of India, Mr. C. D. Deshmukh. He says:

As regards the imprudent use of our sterling balances for the private sector, it is my firm opinion that the recent note circulated by the Planning Commission hides more than it reveals. Had it gone into sufficient detail it would have disclosed that at least Rs. 100 crores worth of exchange was wasted in things that we do not want or do not want in such a hurry. This must be obvious from the fact that within six months of the discovery that sterling balances were running low, we were able to institute strict regulation of import licences. Obviously had this matter been foreseen earlier, regulatory measures could have been taken earlier. If a correction was required and was found possible within such a short period no other proof is required that the grant of import licences and their use towards the end of 1955 and middle of 1956 was somewhat unplanned and imprudent. It is not necessary now to enter into the question of how this happened, because that is a matter of administration at the Centre. Nevertheless, I feel it necessary to mention that the use of the foreign exchange resources by the private sector was a sort of hoarding on their part when they realised towards the end of 1955 that the Second Five-Year Plan was going to be short by some Rs. 800 crores of foreign exchange. Our businessmen would not be what they are had they not promptly taken notice of this gap much earlier than public authorities and immediately set about to stock their larder. This they were able to do by a sympathetic Ministry and before even the Plan was fully approved by the Governments and the Planning Commission, import licences had been secured for a large variety of imports, building up the total sum of Rs. 500-600 crores in excess of the norms over the last two years of the First Five-Year Plan. This was certainly very smart work on the part of the private sector. (*Our Foreign Indebtedness*, Symposium in Kalki, September 1958).

Is it planned economy or planned robbery?

The private sector led by giant combines thoroughly en-

joyed this situation, but shed crocodile tears about the lag in the state sector. The *Times of India* reports Mr. G. D. Birla's speech on the Plan at the annual session of the Federation of Indian Chambers of Commerce as follows:

Mr. Birla analysed the functioning of the Plan and explained that while the private sector had progressed according to schedule—in many cases, indeed, ahead of it—achievement under public sector, except under two or three heads, was below par.

Industry, he said, had already passed the mark of Rs. 700 crores laid down for investment in the private sector during the Second Plan period. (10 March)

This is the position at the beginning of the third year of the Plan.

This tale of the private sector enriching itself at the cost of the state sector becomes more revealing if we consider the relative shares of the two sectors in the imports section of the economy. We had occasion to mention this in the *General Report at Ernakulam*. We find the same thing continuing.

One would expect that the state sector imports of *capital goods* at least would be greater than the private. But it is not so.

#### IMPORTS OF CAPITAL GOODS

	(Rs. Crores)			
	1955-56	1956-57	1957-58	1958-59 (first half)
Private	153.4	211.0	204.9	74.1
State	66.4	118.2	161.1	123.7

IMPORTS OF IRON & STEEL

	(Rs. Crores)			
	1955-56	1956-57	1957-58	1958-59 (first half)
Private	58.3	119.4	82.7	21.2
State	12.1	13.4	51.6	22.1

Despite loud talk about state trading, the relative shares of imports stand as follows:

	(Rs. Crores)		
	1956-57	1957-58	1958-59 (first half)
Private	796.0	682.0	275.1
State	280.6	492.9	250.8

The cream of trade and the cream of profits, arising out of the vast Plan activities for which the people are asked to bear the burdens, are being taken by the private sector. Such is the sordid tale of foreign trade and foreign exchange.

The picture promises to change in 1959. But that is not because the Government has changed its policy. It is because the private sector, having filled its belly, for some time can leave the crumbs to the state sector.

Let us take another indicator of the economic condition—the question of *prices*. The Planning Ministry in its statement says:

There is another big factor in the economic situation which has a bearing in the consideration of the Plan, and that is the price level. The wholesale index of prices stood at about 113 at the commencement of the First Plan as against 100 at the end of the First Plan; that is, there was a fall of about 13 per cent. But at the end of the first

year of the Second Plan, the index was 105.6. That meant a rise of about 5.6 per cent as compared to the last year of the First Plan. The average prices for 1957-58 were about 3 per cent higher than in the preceding year. The figure for August, 1958, is 115.9, which means an additional rise of about 10 per cent. So, during the period of the Plan, the price level has gone up by about 16 per cent. *Between the month of February, 1958, when the index was 104.7, and the month of August, 1958, there has been a continuous rise to the extent of 10.7 per cent.* Among the constituents of the index, food articles had risen during the period of the Plan by about 25 per cent, industrial raw materials by 7.2 per cent, semi-manufactures by about 2 per cent and manufactures by about 6.2 per cent; *the consumer price index has also gone up by 14 per cent during the period of the Second Plan.* (emphasis added)

The havoc caused by the rising prices of food and other articles became so unbearable, that in various States, the people took to demonstrations, satyagraha and strikes in order to make the Government conscious of their suffering and force them to take measures to supply food at controlled prices. Thousands were sent to prison just for asking control of prices.

Was it all necessary? Could not the Government have checked food prices? One could understand their not being able to control the foreign supplies of capital or exports. But anyone could have seen that with so much developmental work going on, with deficit financing and inflation on such a large scale, with the private profiteers in key control of banks and grain trade, the only way to keep to the Plan and to check the increase in the cost of living of the toiling people, strict control of food prices, reserves and supplies in time form the most vital factor in the situation.

In 1958, at Budget time, the dangers of the food situation, the speculation and hoarding carried on by the landlords and traders with the active support of the banks was sharply criticised. But the Food Minister and the Government as a whole

ignored the criticism and, in fact, denied that the food situation was bad. Only when the people went into action did the Government wake up to the necessity of fair price shops, zonal allocations of supplies, a warning to the bankers against speculative advances, etc.

It is said that food production in 1958-59 has increased and hence the situation should improve. The Government also has contracted for wheat from America under P.L. 480 for Rs. 140 crores. They have also declared their intention to take over the wholesale trade in foodgrains.

Despite all these measures, prices and supplies are still far from the reach of the masses. The speculators' and hoarders' paradise is far from being controlled. It is not shortages that are *mainly* responsible for the misery of the people but the policy of the Government which allows the landlords and monopolists, bankers and big traders to hoard and speculate and play with people's lives and the national economy.

## 4. Some Peculiarities Of Our Recession

WE HAVE BEEN SPEAKING OF THE WORLD CAPITALIST CRISIS AND ITS present phase—the third recession since the war. We have looked into some of the effects of this recession on our economy. As our economy is part of the capitalist structure, we were bound to suffer from the usual crisis of capitalism, which is an inherent law of the system.

At the same time, the general crisis of capitalism shows its face in each country according to the stage of growth at which it stands. It will show one face in an advanced industrialised country of monopoly capital and a different face in an underdeveloped or colonial country. What is essentially common to both, however, is the suffering of the mass of the toiling people.

The effects of the recession of the last two years in our country have shown some peculiarities which distinguish it from the advanced capitalist countries. To take an example: the recession in America showed its severest form in the steel

and engineering industries whose major production units had to close down. But with us the steel plants were in fact going ahead with expansion. The recession affected textiles in England and in India alike (less trade turnover). But here too, there was the peculiar position that our textile exports hit English production first and their internal recession recoiled on us in the export market and both were challenged by the exports of Hong Kong. The crisis in American wheat was of over-production, while here in India, despite its being an agricultural country or just because of it, the crisis was of under-production. So, we must look into our recession not only in general terms but from industry to industry.

Statistically, we are told that the index of overall production has receded from the previous figure. Here, it would not be enough to trust to this index to tell us of the real state of affairs.

Our overall index in its basic composition is totally out of date. The components of the present index decided several years ago are based on a production pattern which no longer exists. For example, in the total volume of production making the index, 36 per cent weightage is given to cotton textiles. The index is dominated by cotton, jute and tea.

In the last five years, however, relative weights in production have been undergoing significant changes. When looking into the recession today, if we take note of this, what do we find?

We find that the industries which are most vital for the development of our economic independence and progress are growing and there is no recession in that sector of production.

We find that the industries which depend on the foreign imperialist market suffered from the recession—jute, tea, manganese, mica, etc.

It will thus be seen that while in the imperialist countries

the recession affected all the branches of economy, in our country, the recession was mainly the reflex of the crisis in the imperialist countries and our tie-up with them.

We also find further that where our economy had relations with the economy of the socialist countries, such as the Soviet Union, Czechoslovakia, Rumania, China, etc., our economy experienced no deadlock. In fact, those commodities, which suffered from the capitalist recession, but were diverted to the socialist market were in a position to overcome the effects of capitalist recession without any trouble. The financial columnist of the *Times of India* writes:

The emergence of the demand from Red countries in the past two or three years has provided considerable help to Indian exports which might have otherwise declined sharply on account of the smaller purchases by the us and other traditional buyers.

A study of our production lines and markets will bear out these very important conclusions about the recession and the trends of development in our economy in the last two years.

This should highlight for us the necessity of our trade unions becoming still more active in the anti-colonial struggle.

Does this mean to say that the world capitalist recession had no base in the contradictions of our own capitalist relations? It does not mean so. The fact that more and more of the increasing wealth is getting concentrated in the hands of the landlord bourgeois classes and is not available to the toiling masses in the form of increasing incomes is bound to affect the markets. Rising prices and falling real wages which are a part of our capitalist economy are bound to help recession. But that has not yet dominated our production.

The main thing is that still the economy is going upward in production in the heavy engineering section and many other lines. If we were to plan better and utilise the socialist aid

properly and de-link ourselves more and more from the imperialist economies, we would be going forward still faster.

This can be illustrated with the indices of production of a few significant items (from Mr. K. K. Birla's speech before the meeting of Textile Machinery Corporation Ltd., 8 August 1958).

INDEX OF PRODUCTION—1951=100

	1956	1957
Machine Tools	173	529
Transformers (kVA 1000)	467	622
Electric Motors (1000 HP)	251	328
Rail Wagons ('000 nos)	432	454
Diesel Engines ('000 nos)	164	228
Automobiles ('000 nos)	144	143
Sewing Machines ('000 nos)	292	375
Bicycles	574	701

Everyone is aware of the fact that our iron and steel capacity is going up. The expansion of TISCO and IISCO at Jamshedpur and Burnpur has been completed. The Bhilai Plant is going into full production this year and Rourkela also.

The production figures for 1958 are not yet in hand, but the increase in coal, sugar, cement, and electricity is evident.

Thus we see that while we are affected by the world-capitalist recession, as an under-developed country and as a capitalist economy, we are forging ahead in the development of the vital branches of industrialisation.

And yet we have to note that this progress is halting, not rapid enough and is many a time subject to sabotage by the monopolists in our system aided by those in the imperialist countries. Our working class has to be aware of these things, know the face of its enemies, so that it can follow correct policies in defence of its own class interests and of the national

interests. In this connection, we must examine the manoeuvres of our monopolists, their allies in the Government and their helpers abroad. It is necessary to know the tactics they followed and their consequences to our economy. We will, therefore, refer to the events that have taken place in the last year in the field of foreign loans and aid, the problem of iron and steel factories, heavy engineering plants and oil. Let us see what the foreign monopolies have been doing and what policies the Government and our industrialists have been following in this vital matter.

## 5. Foreign Aid— Whose And For What ?

THE YEAR 1958 WITNESSED TWO VERY SERIOUS AND SIGNIFICANT offensives against the interests of the country and against the toiling people. One was by foreign monopoly capital led by the American. The other was by the monopolists in our own country. In some respects, they joined hands in a common attack.

In the first two years of the Plan, the monopoly sections of the national bourgeoisie with the help of the ministries got all the foreign exchange for themselves and made all the plans for themselves.

They then turned round and in the name of the recession, took the offensive against taxes and against the state sector of industries.

They denounced the taxes as being the main factor in the recession and wanted all the burden of the developing economy to be shifted on to the shoulders of the people. Then they

wanted the state sector of economy to stop its expansion or even to curtail itself and abandon some of its plans.

The offensive began with the Delhi Conference of the Federation of Indian Chambers of Commerce, which put forward the following demands:

(1) While the Federation notes the reduction in the rates of personal tax made in the last budget, it will have to be admitted that the reduction has not been significant by any standards, considering the fact that rates of personal taxation in this country after a certain level are perhaps the highest in the whole world. Still the proposals of Mr. Kaldor for the levy of wealth tax and the expenditure tax in the scheme of integrated taxation having been accepted, his other suggestions for the reduction of rates of income tax and super tax on individuals to 45 per cent should also be accepted. Ultimately, it is only personal savings that matter.

(2) Income from dividends should be treated as earned income.

(3) Investments in new issues should be given favourable tax treatment.

(4) The tax on bonus issues should be abolished.

(5) The tax on dividends above 6 per cent should be withdrawn.

(6) Expenditure tax should be withdrawn.

(7) Wealth tax on companies should be abolished.

(8) A limit should be set providing that an individual should not be required to pay more than a reasonable percentage of his income in the aggregate on account of income tax, super tax and wealth tax.

(9) The compulsory deposit scheme should be withdrawn.

In essence this meant that the bourgeoisie would pay nothing for the growing needs of industrialisation.

The two biggest monopolists, who between them control

all the steel production in the country denounced the state sector's attempts to build more steel factories, when they themselves were expanding their plants. Sir Biren Mukerjee of Martin Burn told the Government that there was not so much demand for steel as the Government thought. Mr. J. R. D. Tata took a more cautious and clever line and said that so much was not needed just now. He said at the annual general meeting of the Tata Iron & Steel Company, Ltd., on 18 September 1958:

With India's large reserves of raw materials for steel-making and her plans for rapid industrialisation, there is obvious scope as well as need for the continued expansion of the steel industry. There need be no disagreement on that, but the question at issue is the rate of such expansion and its order of priority in relation to other industries. *Over-emphasis on steel production in our future plans would prove a costly mistake*, and I wish to sound a note of warning against allowing the steel industry to run away with too great a proportion of whatever total resources will be available in future plan periods. . . . .

*We would be better off if, for a while, we had less steel plants* but more secondary and finishing industries using steel and if we made more trucks, cars, machine tools and capital and consumer goods of all sorts, in preference to making raw steel. . . . . (emphasis added)

And in carrying this out, he relied "on our strong and realistic Finance Minister"—Mr. Morarji Desai. (*Times of India*, 19 September 1958)

In essence, they wanted to stop Bhilai, Rourkela, Durgapur and the future units coming up. Their own private monopoly and that of their foreign partners was in danger at the hands of the state sector.

They utilised the fall in exports to demand that not only taxes be reduced but that costs be brought down by freezing wages and introducing rationalisation on a large scale.

They utilised the shortage of foreign exchange to demand that foreign private capital be allowed to come into India in partnership with Indian private capital. Not only this. They had the effrontery to demand that such foreign capital be also guaranteed its safety (i.e., its losses even) by the State. That is, they get the capital and profits and the people carry the burden of taxes for their losses.

The Indian monopolists did not halt there. They threatened to close down factories and in some cases did so in order to bring pressure on the Government to yield to their demands.

The American monopolists and their partners in Europe timed their pronouncements with this appeal of the Indian monopolists for help. They were perfectly willing to help India in its difficulties. Only the Government of India must be prudent in its Plan and also allow private foreign capital sufficient encouragement and guarantee to come in.

The result of all this pressure exerted by the big financiers was that the finance minister of the Government of India went to America and Europe in August-September, 1958, and negotiated loans and gave enough assurances to foreign capital regarding the solvency of the country and the safety of capital. The World Bank came to meet in Delhi and plenty of promises of further loans to India were made.

In his statement to the Parliament on his American tour, the finance minister said:

I was particularly struck by the interest that India's developmental effort has created in these countries and the readiness on their part to help to the extent possible towards the fulfilment of the Plan. My discussions covered, of course, a fairly wide range of subjects, but the main focus of interest was our foreign exchange needs. . . . .

In the course of some of the discussions issues regarding the scope for private investment, especially foreign investment in India, were raised and I was able, I believe, to

clear some of the doubts and misapprehensions that were prevalent in certain quarters on these subjects.

The promises of foreign capital and the supposed easing of the situation did not halt the offensive. At the Associated Chamber of Commerce meeting, their resolution demanded that the Government

adopt taxation and allied policies which will create conditions favourable to private foreign investment and thus develop the country's economic potentialities while lightening the burden of the servicing and repayment of foreign loans.

Mr. Mudie of the Bombay Chamber listed the deterrents to foreign capital as follows and demanded their removal.

An unsure policy for industry and the part which the private sector is to be allowed to play, the existence of what will always appear to the foreigner to be potential danger to his existence—a State Trading Corporation encroaching on the private sector, official interference in development, finance and labour relations, harassment through the Companies Act, danger to capital through the Fourth Amendment to the Constitution and, not least, the disincentives of the taxation of personal and corporate wealth and income. (*Commerce*, 13 December 1958).

Did the Government of India listen to all this? They did. One by one, the export duties were removed from several commodities 'to help exports'. And substantial relief and simplification of taxes have been promised.

Foreign capital is being given tempting guarantees to come in.

And the working class is asked to increase productivity, accept rationalisation or freeze in wages, while prices are rising.

Once again, one may ask—if this helps national develop-

ment and promises prosperity for the future, shall we not support this policy? The answer is that this policy does not help the national economy.

It is accepted that the basis of our development is to develop heavy engineering industry, machinery, oil, shipping, mining, etc., which are the key to the future growth and key to our national defence.

But foreign imperialist capital is not available just in these very lines of development. And where it is, it wants to remain under private control (*viz.* TISCO, oil etc.) and not subject to national check-up.

A list of foreign aid received by India is given in the appendix. It shows aid given by capitalist countries and aid from socialist countries.

The aid from socialist countries is less in amount and money. The capitalist aid is more.

But it is not money value that is the key to the situation. The question is what kind of goods, what factories we get for that money. For example, dollars for importing wheat under American P.L. 480 may help us to tide over the food difficulties for a time. But they do not help us to go forward in industrialisation or growth of agriculture.

If we were to get a steel plant or machine-tool factory, that helps us to industrialise though its money value may be less in the total foreign aid.

And that is where lies the real worth of foreign aid.

It may be asked as to how much of our total outlay on the Plan comes from foreign aid.

In the three years of the Second Plan, the outlays are estimated as follows:

(Rs. Crores)

	CENTRE	STATES	TOTAL
1956-57	342	297	639
1957-58	500	346	846
1958-59	582	399	981
	-----	-----	-----
	1,424	1,042	2,466

Out of this 2,466 crores, Rs. 900 crores have been found through additional taxes paid by the people.

Rs. 950 crores are found by deficit finance which again means a tax on the people in the future and in the absence of price control, it means fall in real wages in the present.

Rs. 420 crores were from foreign aid (up to September 1958) on State account and the rest from loans, etc.

This is apart from investments in the private sector, whose value is said to have been Rs. 700 crores in the first two years and perhaps Rs. 200 crores more in the third year.

Thus compared to what we ourselves are contributing, foreign aid in money value does not carry the main burden.

But then, the tendency to increasingly resort to foreign aid, especially from the imperialist countries and the insistent demand of the Indian capitalists to invite large-scale partnership of foreign private capital is dangerous to our independent growth. The Government of India who at first assumed that the share of foreign aid would be about 16 per cent of the Plan requirements is now inclined to ask for as much as 33 per cent of the Plan outlay from foreign countries, in which the largest commitment would be with the capitalist countries. This increase is not in real *volume* of goods supplied but is mainly due to increase in prices of foreign supplies.

What are the distinguishing characteristics of the aid from the capitalist countries and that from socialist countries?

The chief distinction is that aid from the United States and England, etc., has been mainly given not for basic heavy industries but for consumer goods, transport and electricity. The largest loans have been for surplus American wheat for which the Americans had no use and hence is given to us as loan. Railways, ports, electrical plants are the main supplies of the capitalist countries.

But when we ask for plants and machinery in the state sector to lay the foundations of our independence in economy, it is the socialist countries which have given us the real aid.

The Bhilai Steel Plant—USSR.

Heavy Forging and Foundry—Czechoslovakia.

Mining Machinery Plant—USSR.

Thermal Plant for Neiveli—USSR.

Oil exploration in State Sector—Rumania, USSR.

Shipping—Poland and USSR.

The Tatas did not want much steel but want heavy machinery plant. The grip of the oil monopolies in our transport system is the most dangerous element in the whole of our national economy. Oil monopolies of the imperialist world are known to make and unmake governments as is seen in Latin America, Iran, Syria, Lebanon, etc. Unless India gets her own oil, our independence is not safe.

The heavy drain of our wealth for foreign oil supplies is seen in the value of oil imports—which are all from the USA and the UK.

(Rs. Crores)

1949-50	..	53.63
1956-57	..	73.19
1957-58	..	108.03

Out of this Rs. 108 crores, kerosene alone accounted for Rs. 27.10 crores and diesel oil Rs. 27.10 crores. What power the oil companies wield over us this way!

In this only the socialist aid has been available and is proving decisive to our independent development and very irritating to the imperialists. Their allies in India want the Government to give up oil to the private sector. But fortunately so far the Government has not yielded. The whole of our people rejoice whenever they hear news of the discovery of gas or oil in the explorations carried out in the state sector by the Oil and Natural Gas Commission of the Government of India.

In 1958, we ran very much short of steel and many factories were laying off workers. In this also Soviet help was on a large scale and was given promptly.

From April to September, 1958, we imported 4,84,000 tons of steel valued at Rs. 67 crores. Of this the USSR gave 1,19,000 tons, Japan (in need of our iron ores) gave 1,13,000 tons, West Germany, which had quite a surplus to sell, gave 37,000 tons. The us gave 43,000 tons and the UK 30,000 and France 30,000. All these capitalist countries had no orders for their steel and their plants were running idle for want of orders. Yet they gave less. While the USSR, working with full order books for its Seven Year Plan, gave more just because we were in need.

In official literature and among the bourgeoisie, there is the policy to underplay the importance of socialist aid. Its decisive significance is kept away from the people. Hence the trade unions must know who aids us in what way and for what.

The finance minister of the Government of India was very glad to have received foreign aid enough to solve this year's problem. But it is not yet sure of the next two years of the Plan. The imperialists are waiting to see if the Government can be shifted from its policy of neutrality in foreign

policy to one of alignment with the imperialist camp. They frankly say that they are giving aid in order to 'save India for democracy' which in reality means to draw it in their war bloc and detach it from friendship with the socialist countries. They want India to go the Pakistan way.

To thwart our independent economic development, to make India the grazing ground of monopoly capital and to enslave our people to their war plans is the aim of imperialist foreign aid. Every contract, every deal of theirs will show this.

The aim of socialist aid is to help us in industrialisation quickly and efficiently, to lay the foundations of heavy industry and oil, to train our technicians and help the country to grow strong in independence and raise the standard of living of the toiling masses. While in principle we do not reject anybody's help, yet we must know who helps, and for what?

## 6. The Struggle Of Trends And Our Approach

THE PEOPLE SENSED THE GAME OF THE IMPERIALISTS. HENCE there were protests against the attempt to run down the state sector and dictate terms for aid. No doubt the Government and the ruling party were quite ready to oblige the monopolists in many ways. But a section of them knew what it all meant to their own ultimate future.

The big monopoly sections of our capitalists along with others, no doubt, want the industries to grow because that helps their own growth and profits. But they want this growth in partnership with private foreign capital, which they think will help them with capital goods. They refuse to learn the lesson of history, that once imperialist capital takes hold of our growing new industry, even if it be in partnership with the Indian big bourgeoisie, it will be the end of our independence.

Even today, the hold of British capital is still strong and heavily entrenched in many vital lines. Their grip on our foreign trade is decisively against us, as can be seen from the Re-

serve Bank study which we are circulating herewith. Instead of dislodging them, our big bourgeoisie want to bring in the Americans, the French and the West Germans in a big way. And those gentlemen are also ready in order to make super profits from our cheap 'colonial' labour, natural resources and our weaknesses. But they are not ready to lend to the state sector. In fact, if we get into difficulties over the payment of foreign loans, which are said to amount to some \$ 1300 million, they will be eager to buy up our state sector industries in satisfaction of those loans. The Indian big bourgeoisie who hanker after Anglo-American loans is already demanding that the state sector industries be given to them for management as 'experts'. From management to sell-out is not a far step.

Thus those gentlemen, some mistakenly and some consciously, are playing the game of foreign imperialists and the enemies of our independence and prosperity. They are putting their own narrow class interests above those of the people and the country.

The shrewd and better-thinking leadership of the Congress in the person of Nehru has sensed this danger. After the World Bank meetings and Morarji Desai's mission to the imperialist world, he lashed out against those who wanted to run down the state sector of economy:

You can take it from me that wherever we can do something in the public sector, we will do it. The public sector will always get priority wherever it can do things economically and profitably. There is no question about it. You cannot forget the basic policy of the Government. Most of the critics do not seem to remember it. The right policy will be to realize that the public sector is the basic sector, a strategic, important and advancing sector. And yet there is a large field left to the private sector . . . . But where the private sector tries to run down the public sector, then it puts forward the wrong foot. If somebody treads upon it, it should not object.

*(Hindustan Times, 4 January)*

Nobody in India wants the complete elimination of the private sector, because that just cannot be done today. But, we must more and more extend the public sector in the key branches of production, if we are to industrialise ourselves.

As the Sessions of the Nagpur Congress drew nearer, a whole bunch of policy questions came to the fore on these and other matters.

The food crisis had sharply raised the question of land reforms before the people. The hoarding on the market and high prices brought in the question of wholesale trade in foodgrains.

The national bourgeoisie sharply divided on these questions. The demand for ceilings on land had been shelved for years because of the pressure of the landlords. The food crisis which endangered the whole economy, including industry, demanded that the question of land reforms be taken up seriously.

The Development Council took the decision to work towards nationalisation of wholesale trade in foodgrains. The Nagpur Congress adopted the resolution on land ceilings and cooperative farming. Nehru attacked those who wanted to weaken the state sector of economy. All this brought the forces of reaction in one company—landlords, monopolists, wholesalers, bankers and those ministerial groups, who in the first flush of anger spoke out their mind openly and then changed their tactics to internal sabotage rather than open opposition. K. M. Munshi and M. R. Masani talked of 'civil war' in the country if all this were done. The lining up of the forces of right reaction clearly crystallised at the beginning of the new year 1959.

Ceilings on land, nationalisation of wholesale trade in foodgrains, strengthening the state sector and the problem of finding capital and resources for the next phase of the Second Plan are going to usher in serious crises and battles during the new year. The rosy hopes of Anglo-American aid for the next

two years of the Plan and the contemplated big Third Plan are going to prove a fiasco, unless the reactionaries, who are opposed to the progressive elements of the Nagpur decisions are forced to surrender by the united action of those who stand for these reforms.

The trade unions cannot remain neutral spectators in the battle. Munshis, Masanis and Morarjis are on the war path. So is foreign imperialist capital. Talk of civil war and militarist regimes is in the air.

Among those in the ruling circles, who want the reforms and a firm policy on defence of state sector, curb on the monopolists, non-alignment and democracy, there is division and vacillation. Many of the ministers on whom devolves the task of carrying them out are sabotaging from within the pursuit of these policies. And, above all, the State machine itself is heavily loaded against progressive policies and against the people.

The working class has to act and organise, even as these policies are being argued about. The shift to the Right or Left in the ruling party is neither permanent nor yet decided one way or the other because all of them together, after all, belong to the same class. In order to hold those who speak of reforms to their positions and move them forward, the people themselves must act on the basis of those very decisions and sentiments which are expressed by the ruling party as, for example, in the Nagpur resolution or the statements of Nehru. If the working class and peasantry can see these policies really carried out and defeat the Right reactionaries, the country will have taken a step forward. The fourth year of the Plan might see worse crisis and manoeuvres than the third year did, if we cannot move the people into positive united action on their own.

Consistent with our two pillar policy formulated more positively at our Ernakulam Session, our approach to the national economy and the immediate questions pertaining to it

may be summarised as follows:

1—We defend the state sector. We ask for strengthening and extending it. We oppose its being handed over to private management or Anglo-American partnership.

2—We watch, expose and struggle against Anglo-American conspiracies to sabotage our independent economic development and inveigle us further into their net.

3—We emphasise the need to intensify plans for heavy industry, engineering, oil exploration and drugs, their build up mainly through socialist aid in the state sector. Highest priority for heavy industry and oil.

4—We demand implementation of the declared policy of State taking over wholesale trade in foodgrains.

5—We want mining to be taken increasingly in the state sector and vigilant check-up of the private sector.

6—We support the policy of ceiling on land, immediate relief to the peasants and gradual introduction of co-operatives with peasant initiative.

7—We denounce corruption and the role of the ministerial circles in it. Cleanse the State and defend democracy.

8—For coordinating financial policies, we demand nationalisation of the big banks and control of the monopolies.

9—We call for rationalisation and simplification of certain taxes, to avoid harassment and make realisation easy, lower their incidence on the poor consumers.

10—We fight for rise in wages; against rationalisation and retrenchment; and to defend TU rights and democracy.

Having seen the currents in the national economy, let us now see how the working class has fared in the last year and what it has to face in the next.

## 7. The Problem Of Closures, Rationalisation And Productivity —Last Year And Now

THE FIRST VICTIM OF THE RECESSION IN THE LAST YEAR WAS, OF course, the working class. While on one side, prices and cost of living were going up, the employers laid off thousands of workers and closed down factories. These closures were the main problem in the textile industry and in some engineering units also.

The problem of closures, some of which had taken place in the previous year, had become so acute that the Tripartite Conference at Nainital was dominated by that issue more than any other.

The textile closures faced the trade unions with intricate problems.

The employers played very clever tactics. They said stocks were accumulating because the high taxes on one side and the

high wages on the other made cloth dearer and hence could not be sold. They refused to say as to why they could not reduce their profits and sell cloth at cheaper rates, for obviously the industry was not running at loss at all, except a few units.

When a tax like excise duty is imposed, they add it on to prices. But, if it is reduced, they refuse to reduce prices to the consumer. This was brought out in the debate which took place in Parliament on exports. There I quoted the report of the Textile Commissioner which said as follows:

Export duties have recently been rationalised with a view to enabling the smoother flow of manufactured goods from the producing to the consuming ends. But from reports available it is seen that the benefits of the reduction in prices, as also the prices of cotton, have not as yet been passed on to the ultimate consumer. (*Monthly Report on 'Trends in Production, Prices, Stocks for the Month of August 1958.'*)

Along with their complaint against taxes and wages, they complained of fall in their export markets. In this too, the campaign of the millowners had a double edge. In the first stage, they complained that British industry, which was protesting against imports from India and Hong Kong particularly, was going to put a limit on Indian imports in Britain to save their textile industry. What did they propose to do about it? They sent a mission to Britain to negotiate.

The millowners secured the sympathy of the anti-colonial people in India in their demand to retain the export markets for Indian textiles. But when they actually negotiated with the British, they accepted a quota of exports far below that of Hong Kong millowners, who as brethren of the Lancashire owners, got a quota more than India and more than they exported before.

The Indian millowners kept quiet about this deal. Why? Because they had made an unholy alliance with the British, to

concentrate attack on the Chinese exports which were coming into the market on a small scale in Indonesia, Malaya, etc.

Instead of fighting British exports in the African and Asian markets, these unholy partners of their ancient British masters suddenly let loose a campaign against China, where the working class and toiling people are building socialism. The millowners were more interested in a political battle against the socialist countries and a wage-cut battle against their own workers than fight the imperialist competition. The statements made by Neville Wadia, Tata and many others in the press showed their real face. But the conspiracy misfired, because they tried to fight on too many fronts.

In regard to the British quota of exports, one journal of the owners wrote:

The Hong Kong Government's statement says that 'cotton goods exports to Britain will be voluntarily limited for three years in line with the actions already agreed in principle by India and Pakistan.' Except for scattered reports here and there, we do not have any information on the understanding said to have been reached between the Lancashire millowners and the textile interests of India. Only two persons, we are told, know the details, that is, Mr. Kasturbhai Lalbhai and Mr. Neville Wadia who have been conducting negotiations. No doubt, the Government of India must have been kept informed about it. *It is regrettable that a cloud of secrecy should continue to hang on this important issue.*" (*Commerce*, 10 January 1959. Emphasis added).

The *Commerce* added:

In the absence of details, we have only to take the figure of 140 million square yards given by *The Economist*, London, as the ceiling for exports of cotton cloth from India to Britain (and 35 million square yards for Pakistan).

Analysing the ceilings reported to have been fixed for textile exports from India and Hong Kong respectively, the journal commented:

Hong Kong can thus ship cotton goods up to a total of 169 million square yards, that is, 29 million yards more than the reported ceiling allotted to India. It would appear from these particulars that the treatment accorded to Hong Kong by Lancashire is far more liberal than that given to India."

On the matter of the Chinese exports, which were supposed to hit us on the Indonesian and Malayan markets, it was found that our exports in the six months had fallen by 165 million yards as a whole, of which the share of Indonesia and Malaya was only 34 million. Was this due to Chinese competition? It does not seem so. In this period, Indonesia had imported 28 million yards, of which China had sold 75,000 yards. These seventy-five thousand yards were declared by our Indian millowners as being the 'ruinous Chinese dumping' and the cause of our losses. Can hypocrisy and the readiness to please the imperialists go any further?

It is, however, noteworthy that when the millowners met Mr. Lal Bahadur Shastri, the Commerce and Industry Minister of the Government of India, on 16 May 1958, they did not mention in the statement they made at that time about Chinese competition at all. Only later on, someone inspired them to open the offensive against China.

Indian industry bulging with war profits and easy inflationary money in the vast internal market was unwilling even to study the needs of these countries, which were our friends in the Bandung Circle. The Textile Delegation of the Export Council which went to several countries stated in their report that Indian textile exports to the African countries were suffering because of competition from United Kingdom, West Germany and Japan. Thus the cry of the Indian big business and their British supporters against China trade did not find sup-

port even in bourgeois ranks.

Another aspect of the reactionary policy of the millowners was in the purchase of cotton, which forms fifty per cent of the cost of cloth. They preferred to buy cotton from the us, which in return bought nothing from us. They neglected to make contracts on the basis of mutual supplies and rupee payments with such countries as Egypt and Sudan. Such and many other misdeeds of the Indian monopolists in textiles had recoiled on them.

The Government of India gave the industry relief in excise duties to the extent of Rs. 20 crores by reducing it three times—in December 1957, in March 1958 and again in July 1958.

Yet the closures continued and threatened to increase. In August the following was the position on closures.

MILL CLOSURES AS ON 2 AUGUST 1958

	<i>Spinning</i>	<i>Composite</i>	<i>Total</i>
<i>Mills remaining totally closed:</i>			
Number	9	16	25
Workers affected	2,736	31,375	34,111
Spindles affected	59,612	466,481	526,093
Looms affected	....	9,615	9,615

*Mills remaining partially closed:*

Number	5	30	35
Workers affected	816	15,238	16,054
Spindles affected	38,960	390,089	429,049
Looms affected	....	10,618	10,618

(*Commerce*, 6 September 1958, page 388).

At the Nainital Conference, the Commerce Minister stated that he had full reports on the financial and other conditions of the closed mills. The trade union representatives, especially

of the AITUC, stated that the majority of the closures were not at all due to *bona fide* losses in trade. The majority were due to fraudulent transactions of the owners, their inner quarrels about sharing the gains and such other things. At this conference all that the Government did was to appoint a Committee of Inquiry. The trade unions demanded that the closed mills be taken over by Government and run as unemployment relief concerns, on no-loss-no-profit basis. One big mill in Sholapur had been taken over and run by the Government and it was already showing good results. But this move was opposed by the employers.

*Their main fear was that if mills were taken over like that and if they proved profitable in running, it would be a bad precedent for private enterprise and strengthen the demand for nationalisation of the textile industry.* Obviously, the Finance and Commerce Ministries both in the States and the Centre were not enthusiastic for such a policy.

The millowners were not interested in getting the closed mills to run with Government and trade union participation. We even tried to forge an alliance with the INTUC and the HMS to have common panel with Government to take over and run the Sakseria Mills in Bombay. But the top bosses of the INTUC and the Government of Bombay rejected the proposal.

During this agitation against closures, some sections of the trade union leadership thought that the closures were an index of a genuine capitalist crisis or recession and should be treated as such. Such trends were found among some of our comrades also. I do not agree with this trend. No doubt there is recession. But the closures that have taken place and the sluggishness of the market in textiles are not due to this as the main facts. The fact that despite reduction of excises the prices are not falling, that stocks are not so abnormal as some people think, that production in fines and better mediums is lifted quite easily, that the core of the industry is not suffering from crisis, that most of the closures are directly traceable to financial manoeuvres and a few to genuine trade diffi-

culties (and those also of their own making to escape by dubious means the excise levy), show that this is not a genuine crisis in its present phase. The food prices also are not the reason of a falling market because the closures took place before the food crisis set in.

In short, the 'crisis', *in the main*, was a deliberate manoeuvre to bring pressure on Government, the workers and the public: pressure on Government to reduce taxes on capital, to give them more loans for rationalisation and police force to enforce it on workers; pressure on workers to give up demand for wage increase, to agree to wage-cuts and/or rationalisation or starve in unemployment; pressure on the public to line up with the employers against the workers.

Some of the INTUC workers immediately used the threat of closures even in running mills to sign agreements consenting to cuts in dearness allowances. At the Nainital Conference, they were pulled up by other leaders of the INTUC.

The employers also demanded in some cases the Provident Fund accumulations of the workers as loans to them for running the mills, but without any workers' control in the management. In one case, we agreed to lend such money, provided a united TU committee sat with the employer to check up the working. The Government, the employer and the INTUC, all disagreed to join hands with us.

When they could not succeed in this, the Bombay Mill-owners' Association openly filed a claim before the Tribunal to cut the dearness allowance by 33-1|3 per cent in all mills and a claim before the Government for allotments of automatic looms in various centres.

*Thus the real platform of the monopolists—wage-cut and rationalisation—came into the open.*

With the growth of the national income, with the growth of wealth and productivity, the workers were promised a bet-

ter deal and a better future. The workers asked for wage increases, let alone for rising standards of living, but at least for the rise in the cost of living. What they got were closures, retrenchment, wage-cut and rationalisation.

The offensive of rationalisation began long ago. With the Kanpur strike and other struggles, it had been slowed down or postponed for two years after deliberations in Labour Panel of the Planning Commission. The offensive is now resumed with full force.

*It is now a policy of the Government deliberately to be enforced. The Nagpur resolution of the Congress on linking wage rise with productivity only shows that on this matter, all groups in Congress are with the big bourgeoisie. Well, we will support them on land ceilings and defence of state sector, but we shall have to fight them on this.*

Actions against closures have not borne full result in textiles. In fact, it may be said that as against our actions, the Government of India has come out with proposals for automatic looms. However, the movement has succeeded partially, in that one closed mill was taken over by the Government.

What is the essence of our approach on questions of rationalisation or modernisation. We say we are not opposed to modernisation as such. As we have explained in our Note to the Government (*See: Appendix*) on the question of automatic looms, while agreeing to the need for automatic looms to boost exports, we ask for their installation in the public sector. Our suggestion is indeed immensely practical since a Government which spends crores on wasteful schemes of Ambar Char-ka development and has the requisite machinery for administering the project, could easily run three units of automatic loom mills and get the needed foreign exchange directly in the state sector. Incidentally, we might remark that these units may be called 'Foreign Exchange Textile Mills'. We also proposed that if Government finds itself unable to accept this proposal, we would suggest that the units may be run with 50 per

cent participation of private capital. Alternately, we also put forward the third proposal that if state sector participation is completely ruled out, then all the employers interested in installing automatic looms might pool together their resources and start new automatic loom units. We, however, categorically stated that no automatic loom in any case could be allowed to be installed in the existing textile units.

Another interesting question which arose in this context was the validity of the Delhi Agreement on Rationalisation. The Union Ministry of Labour in a communication to the AITUC some time ago gave out the interpretation that the Delhi Agreements were not 'agreements' as such but were recommendations for evolving suitable bipartite agreements. We pointed this out to the Labour Minister in connection with the automatic loom issue and said that with such official interpretation, all protection to workers in terms of the Delhi Agreement was illusory. The Minister later clarified that the agreement is binding on parties as any other tripartite agreement.

On the question of closures, one of the recommendations of the Textile Enquiry Committee was that the Government may take over the closed units as per the Industries (Development & Regulation) Act. Since the Government has refused to take recourse to this legislation and as a protest against Government policy on this question, we have refused to nominate any representative to the Central Advisory Council of Industries.

The Delhi and Nainital conventions are being slowly put in cold storage by the Government and the employers. They are acquiring the status of pious declarations, not to be carried out seriously in practice. Even in governmental circles some ministers would like to observe some part at least of the conventions to give some protection to workers but some ministerial circles are totally hand in glove with the employers and against any protection to the workers.

Under such circumstances, the AITUC unions must act with

proper deliberation and assessment of the situation. For example, a notice of general strike in Bombay textiles on 19 May 1958 did put the question of closures on the agenda of Nainital and some small gains were made. One mill has been taken over by the Government of Bombay since then. In Coimbatore, one mill which was a scene of determined satyagraha and good public support was promised to be taken over but is not.

The employers in league with the INTUC unions which are recognised manage to circumvent the conventions. The axe is falling heavily on old workers and the distress is increasing.

It is not possible in every case to reply these attacks with strikes also. Hence a combination of several measures have to be used to resist rationalisation and in case resistance fails, to secure the full and complete observance of the conventions in the matter of employment, workloads and wages.

Rationalisation is coming in on a large scale in textiles and in engineering also. We resist it. We resist not because we denounce the conventions, but because neither the Government nor the employers are observing them in spirit.

It is the same case with the convention on Wage Boards. After the appointment of the three Boards, on textiles, cement and sugar, the whole policy seems to have been given up because of the opposition of the employers.

*In view of this, I think, just as closures and rationalisation proved the biggest problem last year, it threatens to become still worse this year.*

Over and above this, in the name of productivity, the existing time-rates will be sought to be converted into piece-rates. For some workers and in some occupations, it may lead to higher earnings in the initial phase. But later on, the employers will revise the norms and bring down the rates as also the complement of workers. This is already happening in the

engineering industry, particularly, which being a new industry and an expanding one, is very much susceptible to this attack. (For instance, see reports of Bombay and Calcutta Engineering unions.)

Here one has to be careful. Because, some of the workers, especially the skilled section, in some occupations, welcome the piece-rates. Hence, we cannot take an attitude of general opposition to all piece-rates, though in principle piece-rates as such are instruments of capital for greater exploitation and, on the whole, in the capitalist system, they benefit capital more. We should, however, not readily accept proposals of converting time-rates into piece-rates, without thoroughly ascertaining the wishes of the workers concerned.

There is a convention on principles of productivity also. It says the productivity must not lead to unemployment or intensification of workloads and speed ups. It should also increase earnings. The convention as such is good in principle. But the trouble arises in observance. The AITUC, wherever possible, has sent nominees to serve on productivity councils in the state sector industries particularly. In the private sector, the employers prefer the INTUC. The employers and managerial personnel, whether in the state or private sector do not easily shed off their ownership or superiority complex. They try to treat the workers on these councils as mere 'show-hands' to illustrate the 'fads of democracy and socialism'. The moment worker representatives resist the management's suggestions, they are overruled. But there are instances also, where harmonious working has taken place. I learn from some reports that productivity has some interesting results to show, for example, in the Jay Engineering Works of Calcutta in the private sector and the Hindustan Machine Tools and the Indian Telephone Industries in the state sector. There are many more cases worth studying and worth reporting. Increase in production with mutual adjustments has been tried in the Sen Raleigh Works in Asansol, though not without hitches from both sides which I think have been resolved through discussion. Productivity has not had that much

trouble which rationalisation has brought in, because it has not yet led to that vicious result of rationalisation, namely, re-trenchment and unemployment which especially hit the old and women workers. It does, however, raise problems of speed-ups, particularly where assembly line work dominates, as in Bata Shoe Co. or assembly sections of cycles, motors, etc.

There is a tendency to look at problems of speed-ups in an under-developed country like India on the same levels as in advanced countries. And that generally leads to trouble. The managements dominated by European or American standards expect to do the same thing here, forgetting the fact that our worker is still fresh from the fields, that the average level of industrial skill takes time to rise (the present levels took over hundred years to evolve in Europe) and that the wages, nourishment and other conditions here are not at all conducive to greater speed-ups. We import European machines and technique but not European wages and conditions. Yet our productivity in many cases equals or even beats that of the European worker.

Both in trade unions and in the managerial or owner personnel, productivity requires evolving proper integrated norms of approach and work based on the given stage of the worker, his training and wages, the machine and the technician as also the class approach of the system and its bosses. Rising productivity is essential socially but we cannot forget the fact that capital insists on it for increasing its own profits by lowering costs. Increase in earnings, where they take place are only a by-product for capital, a mere adjunct to pump out more surplus from the workers. Cheapness of the product to the consumer is also a dubious result in the present monopoly conditions. The workers should not forget the basis of the system, whatever the fine words that cover it. With that full knowledge, we participate in it in the given conditions of Indian development.

## 8. Recession, Prices And Wages

WHAT WAS THE POSITION OF THE WORKING CLASS IN THE MATTER of wages last year? What struggles it had to wage in order to protect itself against the effects of recession and the attacks of the employers?

In order to answer these questions, we must have a proper picture of the wage map in India. Unfortunately statistics come to our hand very late in the form of returns submitted under the Payment of Wages Act by the different factories. Some of the awards of tribunals during the year can help to give us an idea, but many of these awards refer to previous years and not the current year. However, we shall try to indicate the position in general, if not in detail from industry to industry.

Before we go to the question of wages in India, we might begin by referring to the wage question in the two main capitalist countries, *viz.*, Great Britain and the United States.

We have already discussed the recession in these countries and the effect it had on the workers' employment and produc-

tion. But the strange thing we find in these countries is that though recession affected production, which went down considerably, it did not affect the profits of the employers.

We will give here only two quotations from the London *Economist*, the organ of big business there. The journal says that though production went down in the steel industry in America and England, profits had not only not gone down but had risen on the whole. Discussing recession and steel profits and the fall of 20 per cent or more below capacity in production in Britain, the *Economist* says:

On the face of these figures, one might expect to be recording a poor year of steel profits and looking forward to a still more doleful one. Yet the mixed array of steel profits that have been so far disclosed—which include all the industries' ten biggest producers of crude steel—has been by no means uniformly unhealthy. . . . . No company among these big ten felt impelled to reduce its dividends; several have increased them either as a result of buoyant profits or grudgingly in retreat from a skinflint policy. (17 January 1959)

Making reference to the *American* recession, the same journal says:

Certainly British steel companies have not yet had occasion to rival their American counterparts in continuing to make profits when operating at 60 per cent capacity or less.

So here is the organ of the bourgeoisie itself admitting that, despite recession in the basic heavy industry of England and America, the bourgeoisie at least lost nothing.

Here is also another study which is more comprehensive on the same question. I will give it here in full in order to help you to understand the position in these two most highly industrialised countries of capitalism.

During 1958, when the dole-queues grew longer than for many years and wage battles were fought with the greatest venom of post-war days, the employers squeezed the highest ever profits out of Britain's workers.

The index of company profits, published by the *Financial Times* shows that the profits of 2,738 industrial companies rose to £2,225,642,000—an increase of £130 million over 1957.

One of the greatest increases was in the motor cycle and aircraft industry with a rise for 123 firms of £35 million over the previous year, to a total of £171 million. Thousands of aircraft workers are either out of work at this moment (January 1959) or facing the sack in the coming months.

Mainly due to the enormous profits of Independent Television, the Entertainment Industry increased its profits by 38 per cent, 63 firms making £23 million.

Iron and steel now running at greatly reduced capacity made a jump of 17 per cent. The 32 companies whose figures are counted made £143 million, as against £121 million in the previous year. Food profits went up by 4 per cent. The 203 companies reporting made £160 million as against £154 million in 1957.

*Wages:* Over a million fewer workers won increases during the year than in 1957 and those increases were smaller than the previous years.

Dividends increased, taking earned and unearned handouts together, the total was £946 million, as against a 1957 figure of £895 million.

The *Financial Times* in an editorial says that a study of last year's four quarters 'suggests the possibility that the decline in the rate of profit increase may be coming to an end and we may be entering a phase in which profits will begin to turn decisively upward'.

The article also points out that while the profit increases for 1958 over 1957 were greater than those for 1957 over 1956, they were smaller than the increase of 1956 over 1955.

So all in all, 1958 was a year of growing unemployment, fewer and smaller wage increases and greater than ever profits. (*Daily Worker*, 19 January 1959.)

Last year we read in the papers about the stiff resistance that the British and American working class had to put up, in order to defend their positions against the capitalist attack. In America, in the steel and automobile industry, the workers led by the AFL-CIO, despite the politically reactionary character of its leadership, waged determined actions to fight against speed-ups, rationalisation, lay-offs, retrenchment and wage-cuts. And in many of these actions they were partially successful.

The British employers adopted a policy in relation to the trade unions which was very dangerous to the whole existence of British trade unionism. The main slogan of the Tories was to force the British trade unions into long-drawn strikes. As it is the practice in British trade unions to maintain the strikers from the trade union funds when the strike is declared 'official', long-drawn strikes act as a very exhausting factor on these funds. The Tories expect that once the accumulated funds of the trade unions are exhausted, they would not resort to strikes in defence of their rights and conditions of work. The other measure which they adopted was to begin the attack by victimising shop stewards who are elected by the factory workers from among themselves and who look after the workers' interests from department to department on behalf of their trade union.

The institution of shop stewards in England is the backbone of the working class movement there. It is this which suffered the severest attack last year. The British trade union leadership at the top, though not disowning the shop stewards, does not very much like the strength of the shop stewards as such. Because the shop stewards being directly in touch with the masses of the workers at the factory level understand the

moods and needs of the employed worker far better than the leadership at the top. Many a time the two have come in conflict. The shop stewards as a whole are also politically more advanced and, in accordance with the moods of the workers, they conflict sometimes with the political attitudes of the TUC leadership. Some of the biggest strikes in England last year took place on the demand for reinstatement of shop stewards dismissed by the employers. There were strikes in the aircraft industry, in the big British motor car industry, and so on.

Thus you will see that even where trade unionism has been established for a century and where recognition and negotiated settlements or arbitration are supposed to rule the relations between the employers and the workers, and, where we are told, democratic traditions prevail the most, the working class had to resort to intensive strike struggles in order to defend their wages and working conditions from the attacks of the so-called enlightened bourgeoisie of England and America, which was enjoying a curious and paradoxical position of making profits, even while complaining of recession and fall in production.

Let us now turn to the question in India.

Can we make an overall evaluation of the position of our workers in relation to their wages in the last year? If we ask the question whether wages as a whole, in India, in 1958, went down or up, can we give an answer from our experience in the trade unions, though we do not have an overall review of the statistical position?

As I have already said earlier, there was really no recession as such in Indian industry as a whole, though some lines of manufactures suffered from the effects of the recession in the capitalist world. Even the textile industry was not such a victim of crisis as is made out by the millowners. As a result, we can state that there was no justification for any proposal of a wage cut and there is probably no case of a wage-cut imposed

on the workers anywhere in India in the last year.

In fact from some of the agreements that are available at the AITUC office and some of which have been printed in the *Trade Union Record*<sup>1</sup>, we find that workers in some industries have secured increase in *money* wages. But these advances, of course, are not of such a nature as to lead to an increase in the level of *real* wages. In the rise that has been noted in several industries, it has been so particularly in the case of the minimum wages of low-paid categories while certain revisions of the other grades also have been in evidence. There has been an award, for example, in the engineering industry in Calcutta, agreements in the electricity industry in Tamilnad, and individual agreements in the engineering industry in Bombay, etc.

The textile millowners in Bombay have filed a claim for reducing the dearness allowances but I think that is more in the nature of a counter-blast to the demand for wage increases made by the workers before the Textile Wage Board.

In the big state sector industries, there do not seem to have been any revision of wages and the Pay Commission still continues its deliberations on the question of wage increases in the governmental services. In the jute industry, modernisation has been completed, leading to large displacement of workers, but no wage increase.

There have been tripartite Industrial Committees on the

<sup>1</sup> I would request you to refer to the various agreements which have been published in the *Trade Union Record* on wages and bonus. It is also necessary for you to study the agreements that are published from time to time in the *Indian Worker* of the INTRUC. Of course, there are any number of agreements which are not published anywhere. Many of the tribunal awards are only known to the trade unions concerned, as we can seldom refer to the Government Gazettes which publish them from time to time. It is essential for all of us for grasping the trends in the developments in this matter, to keep track of all this literature.

question of coal, tea, jute and some of the state sector industries; but this time, in none of these, has there been any direct agreement on the quantum of bonus or wages and DA.

You know that last year, we had noted that the Industrial Committees convened by the Government of India on tripartite basis have achieved a character on a national level of good forums to arrive at agreements embracing whole lines of industries on questions of wages, bonus and working conditions. It was also noted that it was in the interests of the workers to encourage this trend because it cut across differences among trade unions or of the rivalries between employers also, and helped in the settlement of disputes on a national level between the two parties, i.e., all trade unions and all employers in the given industries, through the mediation of the Government, directly at the negotiating table.

Last year, however, there has been no appreciable advance in this position.

In the matter of bonus also, we cannot get any clear picture in the absence of verified data. On this question the position remains particularly dangerous because many of the awards are referred to the Supreme Court, where they remain undecided for years. Even wage awards by tribunals are more and more being subjected to appeals to the Supreme Court by the employers. Therefore, gains made in any particular year do not accrue to the workers until the Supreme Court has decided on the matter.

So, summing up the position on wages, we could say that direct wage-cuts as such have not taken place. Small increases have been secured. But real wages have gone down due to price rises. Bonus payments are likely to be on a lower level as many industries are pleading less profits, the boom having ended.

Last year presented us a serious situation in the matter of food prices which has already been referred to. It is admitted

by the Government that the consumer price index has gone up by 14 per cent during the period of the Second Plan.

This rise in the cost of living certainly was not covered by the rise in the dearness allowance, in view of the fact that the major sections of the working class in India have not got their DA linked up to the cost of living indices. In the major sectors of industry, DA where it exists is a fixed quantum and is hardly changed despite rise in prices.

You are aware of the fact that in the biggest steel works in India, Jamshedpur, the workers waged a determined struggle in order to get the DA and wages raised, in view of the tremendous rise in the prices in Jamshedpur, a fact acknowledged by the Government itself. But with the backing of the Government, the employers were successful in beating down the demand of the workers for rise in DA and wages, at least for the time being. The struggle of the Burnpur workers was, however, successful and they received an increase of Rs. 10 per month in DA. But that does not help to cover to any appreciable extent the rise in the cost of living.

The condition of the railway workers, government servants and all such departments as have fixed salaries, was worse since they have neither bonuses nor sliding dearness scales.

In the big banking industry, after a number of protests, the formula for the revision of DA was altered and they received some relief by way of increase in DA rates.

The insurance employees have been agitating for bonus but have so far failed to move the Finance Ministry and the Life Insurance Corporation in this respect.

In the vast engineering industry of Calcutta, the DA is a fixed quantum. Hence it also suffers from the variations in the cost of living. In some units of the Bombay engineering industry, the DA is on a sliding scale and is related to the cost of living index.

However, even in the Bombay textile industry, where the DA rates are directly linked with the cost of living index and are expected to neutralise the rise to the extent of 99 per cent, the neutralisation does not become complete because the index itself has a faulty base and, therefore, does not reflect the situation in the price market correctly.

*In view of all this, we can say that in the year 1958, due to the tremendous rise in food prices, there was a certain fall in the real wages of the working class as a whole.*

As regards the profit position of the employers in India, we can say that they cannot be expected to be in trouble for the simple reason that large sectors of industry have not suffered from recession at all, and some of them, in fact, are enjoying partial boom conditions engendered by the development of the Plan, while a small section may have slightly reduced profits, due to the changes in the export market.

Thus the Indian bourgeoisie which, as a whole, in regard to its profits, is not at all in crisis, cannot justify any of its claims for either reduction of bonus or of wage rates. On the contrary, the working class is entitled to press its demands for an overall increase in wages in all industries, which has been the declared platform of the AITUC.

*We must, therefore, not hesitate to press our claims for revision of wage scales, though we must formulate them realistically and concretely from industry to industry, in accordance with the given conditions.*

Revision of wages is particularly due in the growing and expanded iron and steel industry of Jamshedpur and Burnpur, and in all the engineering trades in India. A movement in that direction does exist and the employers are trying to meet the claims not by direct increases in wages on the existing level of production but by linking wage increases to rationalisation or productivity measures, to which we have already made a reference. It is for the trade unions to take concrete

decisions on how to arrive at a settlement on these matters.

Wage claims are due in the big sugar industry, particularly of UP and Bihar. A Wage Board in this industry already exists and if we organise a unified movement of the sugar workers, allied with the sugarcane growers and build strong solidarity between the two and evolve a unified and centralised leadership, we will make some gains in this sector also.

As the jute millowners have completed modernisation and introduced new norms of workloads, the time is coming when the trade unions will have to put forward a demand for new wage rates in this newly rationalised and modernised industry.

In the banks, their previous award is ending this year and a new agreement will have to be negotiated.

In the oil and petroleum industry, the settlement on bonus claims has led to intense rivalry between the AITUC and INTUC unions, and the oil companies befriending the INTUC unions are trying to take advantage to bring down bonus quanta from the justifiable levels.

In tea, all the three organisations and the independent unions have submitted an agreed scheme before the tripartite committee on bonus. Here, fortunately, the tea planters could not take advantage of trade union rivalry to spike the claims of the workers. But the final results are not in hand and we cannot say much.

The delay in the Pay Commission's report is already compelling the various organisations of government employees to agitate for early decision from the Commission.

As regards the miners, we have to make efforts to submit agreed joint claims on behalf of all the organisations functioning there and secure revision of DA and bonus and also implementation of the previous award, wherever it has not been implemented.

## 9. Some Of The Notable Struggles

IN 1958, OUR WORKERS HAD TO WAGE STRIKE STRUGGLES IN SPITE of the fact that the Government, employers and trade unions had all agreed to observe the famous Code of Discipline, which is expected to do many things, the most important being the avoidance of strikes.

Why was it so? Actually, last year, the worker was trying to avoid strikes more than he wished. The prices were rising and there was every reason for launching strikes for increase in DA rates to meet the rise in the cost of living. At the same time, the employers were on the offensive, wanting to introduce rationalisation and take retrenchment measures. There was a false cry of a deep and continuing recession and threats of large-scale closures or lay-offs. This made the workers a little hesitant in launching strike struggles against the rising cost of living.

Yet very important and determined actions were undertaken by the unions and workers during the year. Neither the

Code nor difficult living could deter them. Therefore, it means that the strikes of the year must have had some very compelling reasons in as much as the workers had to overcome the most highly effective deterrents such as closures, re-trenchment, growing unemployment, high prices, etc. Or may be, it is just these that exasperated the workers into action. Let us see some of the outstanding strikes and their causes.

In March, 1958, the HMS called all TU centres to gather in Delhi and meet them to discuss the proposal for an all-India one-day strike, in support of a Charter of Demands, which they had passed in their session at Bangalore.

Most of the big federations, some of them of the HMS line of thinking, expressed inability to call such a strike, viz., the Railway Federation, the P & T, Port & Docks, Banks, etc. A nation-wide stoppage of all industries for one day would have had a most galvanising and unifying effect on the working class, if it could be brought about, but it was clear that with the present state of organisation and unity, it was not possible without careful preparation. The HMS leadership either would want all others to accept their proposal or nothing at all. They, in fact, had the audacity to tell all the organisations that they had been invited to do nothing but carry out their resolution. The meeting was almost broken. Fortunately, a compromise was at last agreed to, as the majority of the HMS leadership itself did not agree with the peculiar outlook of some of their leading men like their General Secretary. An all-national rally was decided upon for 27 March. An agreed set of demands was also formulated and a Committee of Action set up.

The rally was a grand success. It was a gigantic expression of the unified spirit of the whole working class, though the INTUC kept out.

This united action made the HMS leaders unhappy. In several towns, they refused to have united platforms. And soon after, all talk of united action was given up. Instead, the same old slogan of no truck with the INTUC came to the fore-

The months of May and June, however, witnessed new united actions of the workers, despite the unhealthy reactions of some leaders to united action.

The mightiest and biggest action of May, and of the whole year, was the strike of 12 May in the Tata Steel Works of Jamshedpur. I need not recount the whole story here. The Tatas are a highly organised monopoly with its tentacles spread out everywhere. Not only is their steel machinery American; their whole organisation, ideology and methods of dealing with business, with the workers and with the country's problems wholly American. You know what it means. The Tatas had not seen a strike in their works for thirty years. They had beaten many a leader, many a union. Their directors often jumped from the Board of Directors of the Company to the highest position of power, that is, the Ministries of the Government of India. The most intelligent or efficient or crooked officers in government services give up government jobs and join the Tatas. They have a reputation for charity whose tentacles spread far and wide. The founder of the House was a man of vision and a daring industrialist. Now his successors reap the fortunes and use them to beat the workers, finance gangsters and the ruling bourgeois parties, rear up anti-people reactionary forces, make unconscionable money by charging high prices to the State as in TELCO locomotives and Mercedes-Benz trucks and yet parade as great patriots and progressives serving the country and saving it from communism. Such is the octopus we had to fight—even if it be by a one-day strike.

No one believed that strike would really take place. The INTUC union had complete hold. The police had complete grip. The Company had complete loyalty of the workers. The wage agreements made by the INTUC had evoked complete consent of the workers. The Government of Bihar was completely behind the Company. And above all, the communists, as they called the AITUC union (the Jamshedpur Mazdoor Union) were completely discredited in Jamshedpur and had no support.

But the strike was complete on 12 May, at the call of the AITUC union—the JMU. It was so peaceful and complete that even picketing was not required.

There was first disbelief, then surprise, then anger, then fear and intense hatred in the leadership of the INTUC, the Tatas and the Government.

They struck back. They provoked the workers when they went to resume work next day. There were suspensions, threats, and abuse. There was a sit-down protest by the whole works against the provocation.

Then a strange thing happened. The Bihar Government and the Government of India, sent troops to take charge of the city of Jamshedpur, 'to inspire confidence' among the people and to keep law and order, which the civil police alone could not, according to official report. A General of the Indian Army flew from Delhi to Jamshedpur to supervise arrangements.

What were the arrangements? The works were to be reopened with new passes to loyal workers. The leaders of the JMU were to be arrested. The union offices ransacked. All resistance to be smashed.

There was firing on the workers, the union office was smashed, leaders arrested and sent to prison. The INTUC leadership came back.

The JMU called upon the workers to enter the works and resume work on 29 May.

The AITUC is charged of deliberately bringing about the strike. I do not want to go into all the story. But it is necessary to remember that despite the big rise in prices, the DA in Jamshedpur never changed. The INTUC had agreed to a freeze in wages for five years, until the expansion of the factory was completed. The workers resented the agreement. They were

never consulted. Even the INTUC union executive was not consulted nor did it ratify the agreement. The Company and the union President imposed by force most scandalous conditions on the workers.

The AITUC had done everything to settle the issue by negotiation. We had gone to the Labour Ministry, to the Prime Minister, to the Bihar Government, to the Company. We had spent more than a year in seeking some avenue of settlement. We were turned down everywhere. We had no right to negotiate because the Company did not recognise us nor did the Government. Hence our strike was illegal. The famous Code of Discipline could give us no help. Every item of the Code was violated by the Government and the employer and the INTUC. And yet we were declared illegal and the JMU leaders are in prison under charges of conspiracy—to do what?—to bring failure to the Five Year Plan and thereby overthrow the government machinery! One would laugh at this nonsense, were it not that this nonsense is costing the workers their lives and livelihood.

The strike of 12 May, however, has accomplished its task. The INTUC, the Tatas and the Bihar Government have been seen by the workers as they really are. The workers have become conscious and more organised. The supercilious high-brows of the Company have been taught a lesson. Though the Tatas fume against the AITUC, we are there for good. And the Company has to revise its approach and concede the demands of the workers.

For an excellent study of the background of the strike, one should read the survey made by an American Professor of economic history, Mr. Morris David Morris. Though he is biased against us, yet his whole survey bears out all that we said and justifies all that we did to defend the workers of Jamshedpur.

The Government and the Company are trying to terrorise our TU leaders in various ways. Even members of Parliament who visited Jamshedpur at the invitation of the AITUC to see

things for themselves are being prosecuted under one pretext or another and involved in cases. The defence of the conspiracy case prisoners and the workers who have been victimised is a task of our whole TU movement.

The JMU is not broken nor beaten. The workers are with it and will realise their demands.

The workers of Burnpur and Kulti also moved into action. The notice of demands and strike was served by them too. They received an increase of Rs. 10 in their DA. The contract workers employed in thousands by the European construction companies who were engaged to expand the steel works, received some gains after their strike actions.

The strike of the port and dock workers which lasted from 16 to 22 June, illustrates for the trade union movement, how the Government of India treats the working class and how lightly it takes the question of the Code of Discipline about whose fine principles it so often preaches.

The main demand of the Port and Dock Workers' Federation was that the report of the Committee which the Government itself had appointed should be considered and its recommendations put into effect. What was expected was that even if the Government could not accept all the recommendations of the Committee, it should have at least called the Federation and told them their final views on the matter. But the report has been lying in the archives for over a year and all the requests of the Federation to the Government to announce its decision or negotiate with the Federation had fallen on deaf ears.

Not only that but the Government promised from time to time in its meetings with the Federation's Working Committee that they were considering the matter. Finally, the Government took the most provocative step when the Transport Ministry invited the Working Committee to meet the Government to settle the question and when the Committee reach-

ed Delhi and met the Ministry, it was asked to go back. The workers' patience was exhausted and justifiably so, and the Federation gave a call for strike.

The Federation was thoroughly justified in thinking that the Government of India would not move unless and until there was a strike. It appears as if there were people in the Government interested in provoking the Federation to go into strike action. Thereby they thought perhaps that they could crush the Federation and once for all be done with their demands. Or perhaps they thought that that would be a good instrument of sabotaging the work of the Plan in the ports and docks: it would kill two birds with one stone—destroy trade unionism and also sabotage the work in the ports and docks.

But the Transport Ministry and other interests in the Government of India had miscalculated. The strike was complete and it was peaceful. But it is almost a philosophy with the Government of India that they would not allow any strike to go without firing on and killing workers. In Madras Harbour, on the very first day, firing took place and eight workers were killed on the spot. The whole city of Madras, its entire population, observed a complete hartal in protest.

The strike dragged on for some days. The Government sent troops to man the docks in Bombay and thus break the morale of the strikers and also keep some 'essential services', as they call them, running. The result was that many of the locks in the docks were broken by the army personnel who did not know anything about the technique.

When the Government's efforts to break the strike failed, the Prime Minister agreed to meet the Working Committee of the Federation. Negotiations were carried on in which Prime Minister Nehru assured the Working Committee that he would assume personal responsibility for the settlement of the question. A communique was issued giving the conclusions of the negotiations and the Federation called off the strike.

It is now over six months that the strike took place and assurances were given. Still, till today, there has been no settlement and no decisions on the recommendations of the report and the demands of the Federation which led to the strike.

The history of this whole question shows that the Government of India's attitude towards working class problems is not the attitude of either a progressive government, or a welfare state, or of a socialist state. It is the attitude of a hard-boiled Tory government, covered up with fine phrases about non-violence, peace, welfare of the working people and so on. All the fine sentiments emanating from the Labour Minister are contradicted in actual practice by other ministries and in the end, what remains is betrayal of promises to the working class.

The All-India Port & Dock Workers' Federation is a federation to which unions of various national centres are affiliated. It is thus a united trade federation. At the same time, one has to note that there are elements there who sometimes try to disturb this unity and make way for disruption. It is, however, hoped that the line of unity will prevail and the Federation will grow still further solidified and win its demands.

Another outstanding event in the last year was the general strike in Bombay on 25 July. The strike was launched in order to protest against the reactionary labour policy of the Government of Bombay, its backing of the employers in Premier Automobiles in their attack on the trade union in the workshop which had led a prolonged strike of 4 months' duration and the attitude of the Government in refusing to curb the activities of the textile millowners which led to closures of mills and retrenchment.

The textile workers had given a notice of a general strike for calling a halt to the closures and rationalisation. That strike was then linked up with the proposal to launch general strike of all workers in order to express solidarity with the striking workers of Premier Automobiles and also to protest against the labour policy of the Bombay Government. When

this came to the attention of the Government, the Union Labour Ministry requested the leaders of the Action Committee which had been formed to organise the general strike to defer it in view of the coming Nainital Conference, where the question of closures and the strike and lock-out in the Premier Automobile Works would be given consideration. The general strike timed for 19 May was postponed and the question was taken to the Nainital Conference.

The Nainital Conference discussed the problem and it was expected that since the Bombay Labour Minister had participated in the discussions and an indication was given that efforts would be made to settle the problem quickly and the Labour Ministry had also promised that it would directly intervene in the question of closures, an amicable settlement of the whole question would be soon forthcoming.

But they found that the millowners and the management of the Premier Automobiles were bent on pursuing their own policy backed by the Bombay Labour Minister, who went back on all his promises made at Nainital.

In the Nainital discussions, it was discovered and brought to the attention of the Labour Ministry that the employer in Premier Automobiles and the Labour Minister, contrary to the principles of the Code of Discipline, had refused even to agree to arbitration in the dispute before the strike began. Faced with such a situation, trade unions in Bombay affiliated to the INTUC and the HMS took a decision to call a general strike on 25 July.

The strike was complete in all the industries and was conducted without any clashes either amongst workers or with the police. The INTUC had sent its organisers to stop workers from joining the strike. In the transport undertaking in the city, they even tried to bring about clashes with the striking workers from inside the office-building of the transport undertaking where they had been hiding, but their tactics completely failed.

25th of July was a complete answer to the question as to whether the INTUC wields any influence in any section of the working class in Bombay. It does not command the loyalty of even 10 per cent of the working class in Bombay was revealed by the July events and yet the Government of India, the Government of Bombay and the millowners treat the INTUC as the 'representative' organisation in the City. No wonder that the then President of the Millowners' Association of Bombay, the late Mr. V. N. Chandavarkar, in a fit of frankness made a statement that the INTUC had ceased to have any backing from the workers and as such was of no use to the employers. Even the big bourgeoisie in Bombay had come to the conclusion that this tool of theirs no longer served their purpose effectively. That is the fate of a trade union organisation which runs counter to the will of the masses and relies on governmental machinery of the bourgeoisie, its law and police and its purse to secure a place at the head of the workers.

I am sure the success of 25 July will further unify the working class in Bombay and entirely eliminate the INTUC unions from playing a disruptive role in the life of the working class in the City. It will be a hard battle because the Labour Minister in Bombay and his friends in the Cabinet will not give up the fight easily without shedding some more blood.

It is reported that some ministers in the Bombay Government are prepared to accept the verdict of 25th of July but this opinion is absolutely of no value to the working class unless it is acted upon. Till then we cannot take note of the differences said to exist inside the Ministry on the question of the Code of Discipline and the necessity of dealing with the unions of the AITUC and HMS in preference to the unions of the INTUC. The Code exists in principle but is violated in practice at every step by the industrialists of the City and hence the working class has no other go but to take the line of resistance and struggle where negotiations and compromise fail.

The strike of the Calcutta tramwaymen lasting for 42 days was a heartening example of united action. It was an in-

dication that it was no longer possible to humbug the workers with promises of consideration of their demands through tribunals and awards. The tramway workers refused to accept tribunal for their demands saying that a large number of previous awards have still remained unimplemented in their case and the tribunal was being used to delay matters for months and months.

The strike was a united strike in the sense that unions of all affiliations had agreed on joint action. The Calcutta Tramways Company which is a European concern and which should by now have vanished from the Indian scene but for the support given by the Congress Ministry, failed in its tactics of dividing the workers or suppressing the action by utilising the Government's police force.

The general strike in West Bengal plantations on 15 September was also another illustration of the growing unity amongst the workers. All national TU centres and independent unions took part in the strike. All the unions functioning in West Bengal plantations have made a joint front on the question of bonus and submitted joint proposals.

The strike in Hindustan Aircraft Ltd., (HAL), Bangalore, led by a union which is not affiliated to any central TU organisation but some of whose leaders owe allegiance to the AITUC line of thinking, posed intricate problems for us. The management of the HAL behaved very provocatively to certain leaders of the trade union and wanted to establish almost a semi-military regime in the workshop and crush all activities of the trade union. In this they were backed by the INTUC elements who were completely isolated as far as mass support was concerned.

The demands of the HAL workers had been referred to the Government of India and had been pending consideration for more than one year. Their patience exhausted, the workers took to satyagraha and tried to avoid closure of the works. Arrests and suspensions, however, led to a strike. The AITUC

exerted its utmost to stop the closure of the works and to bring about a settlement. Ultimately the Defence Minister intervened personally and restored an atmosphere of settlement and good will. Most of the demands of the workers have been amicably settled and the HAL, as one of the finest factories in the state sector, is now on the road to better organisation and better working.

The conduct of the HAL dispute and its settlement is a good example of the unity of the workers and the disruptive role of the INTUC, the restrained behaviour of the trade union leaders who conformed to all the standards of the Code of Discipline and showed willingness for settlement of claims even if they were not settled to the 100 per cent satisfaction of the workers. It also showed that given good will on the side of the Ministry concerned, a dispute could be settled properly without questions of prestige and loss of face.

The Central Government employees who have been subjected to the draconian amendments to the Services Conduct Rules have been conducting their agitation throughout the year.

The victimisation of the Secretary-General of the Audit Employees' Association under the Conduct Rules roused a big protest campaign among the government employees. It seems that some of the bureaucrats of the Government are not yet prepared to learn the lessons of history. They are determined to impose semi-military norms of discipline on the government servants. If these are not changed, there is bound to be still greater discontent among the government employees. And this along with the failure of the Pay Commission to make its report soon on the question of wages despite the tremendous rise in cost of living is creating a serious situation in the governmental services.

There is one more strike which I would like to mention and that is the strike of the municipal workers in the City of Bombay, which raised certain peculiar problems.

The situation was a peculiar one since the strike was led against a front of left political parties which were in power in the municipal corporation and it was undertaken even when the workers' demands were conceded. The Samiti which controls the municipal corporation agreed to give a wage increase and yet the leaders of the union decided to have a strike. In view of this, the strike ceased to be a strike in the real sense of the term and became a political battle led by a party which was opposed to the Samiti formed out of a front of left political parties in the City.

The Socialist Party which controlled the strike, stopped all work in hospitals, even contrary to the convention which had been adopted unanimously at the Nainital Conference that essential services like hospitals should not be subjected to strike and conciliation and settlement by negotiation must be made available in this profession. The Socialist Party leadership which has affiliated the union to their party and admits of no other parties' participation in the work of the union, also tried to stop the water works and drainage system of the City from functioning. The Samiti tried to keep a skeleton service running with the help of citizen volunteers, which naturally was bound to displease the strike leaders. They tried some other methods in order to break the skeleton service and also to prevent relatives and friends of patients in hospitals to reach them food supplies and medical help. Under such conditions, the Samiti, the ARTUC and some of the HMS leaders found it necessary to organise the citizens for maintenance of the services and also to see that the water works were protected from attempts at sabotage.

This attempt surprised certain trade union circles who thought that this was not correct tactics. Questions were sent to the ARTUC about this. We have to make it clear that in the conditions which prevailed in Bombay, this particular strike was of a totally reactionary character for the following reasons. In the first place, the demands were conceded. Second, negotiations had been carried on with the union.

Third, the union was recognised. Fourth, though the strike was illegal, according to existing law, the Samiti had not declared it to be so and nobody's service was threatened. No police force was called in by the Samiti despite certain provocations at hospital gates and water works. Fifth, the strike affected and endangered the lives of persons who were in serious condition in hospitals. Therefore, the Samiti was right in calling upon the citizens to render service in hospitals and in maintaining the cleanliness of the City, the failure of which was threatening an epidemic. If the Samiti had not agreed to negotiate and concede the demands, then the AITUC itself would have lent support to the strike as it did in the Bombay City itself and to this very union on a previous occasion.

This strike also raises the question of the workers in municipal services as a whole deserving greater attention from the municipal bodies. It is found that progressive left forces come into power in several municipalities and become responsible for their administration. As a result, the municipal workers belonging to the most downtrodden caste and carrying out the most essential services such as scavenging, drainage, and so on, expect a better treatment, better wages and quicker decisions on the part of the municipal bodies where the left political parties exercise control. It is, however, found that the permanent bureaucracy in the municipal bodies generally resists a change in the methods and manner of dealing with workers' problems, even when the left political parties desire such a change. It is also found that in some cases, left parties themselves sometimes fall a victim to the time-honoured policies of the bureaucrats, and instead of fighting the bureaucrats and the Government, they turn round against the municipal workers and refuse even to concede some of their reasonable demands and to concede them in good time. Hence strikes in municipal services are coming up rather seriously. It has also to be pointed out that sometimes, the unions had raised demands which it is impossible for the municipalities to meet within the framework of the resources of municipal and local bodies, whose powers of taxa-

tion are limited. We have, therefore, to work out the position in which we concede the demands quickly, we recognise their unions quickly and we concede as much as is possible even at the cost of imposing additional taxation on the citizens but we must do this with the consent of the citizens themselves. We have also to unite the citizens and the workers in order to fight for larger financial allocations from the Government, who try to starve those municipalities which overthrow the Congress rule. Therefore, a harmony between the citizens' interests, municipal services and the interests of the municipal workers has got to be worked out carefully by all concerned. If the left political parties and the trade unions in which they function fail to do this, then we shall have done harm both to the citizens and the workers, as also the interests of the trade union movement.

Among other important strike actions was the strike in the *Hindu Press*, Madras, where we found two sections of the national bourgeoisie quarrelling with each other and one accusing the other of acts of violence and asking police to stand by as onlookers when property was being destroyed. Both wings actually used the workers' struggles for their own factional ends.

The agitation for re-opening of Kaleeswarar Mills, Coimbatore, and the mass satyagraha was an important action in 1958, which was noted for the active participation by hundreds of women workers.

The hunger strike by Com. Nambiar on the Southern Railway was significant, both in its undertaking as well as in calling it off, and the vast mobilisation of workers it brought about.

We also witnessed the protest demonstrations against the ESI Scheme in Bengal and Punjab. It is necessary that during the coming period, we plan action for getting family treatment as well as hospitals for insured workers.

Other outstanding strikes in 1958 were the Kerala plantation strike and the strike in Hutti Gold Mines which lasted 34 days. The action of the Kulti workers against closure of furnaces was also significant and resulted in ensuring alternate employment for all retrenched workers.

The closure of the Kulti furnaces is an anti-national act of the Martin Burn Co. In the present conditions of steel shortage, even old furnaces ought to be in production. But Kulti was allowed to close down to suit the profit interests of the company. This shows how the Government of India itself is failing in working out correctly its policies of the Plan.

A complete picture on the characteristics of the strike actions, the unity achieved and gains can be had only after a month or two when full details are available. According to figures available, mandays lost in the nine months of 1958 were 5,905,887 and workers involved in strikes totalled 743,815. The respective figures for 1957 were 6,429,324 and 889,368.

In all the strike actions that we have described, the question of observing the Code of Discipline was brought to the forefront both by the employers and the Government. It is interesting to note that since the Code was ratified by the AITUC and the other trade union organisations, there is no single case on record that any union of the AITUC got recognition under the Code. Despite the Code being ratified by the employers, appeals against awards are being filed before High Courts and the Supreme Court, settlements delayed and negotiations refused. The Bihar Government, for example, even refused to register the trade unions of the AITUC and has refused to abide by the Code and the decisions of the Nainital Conference wherein this problem was raised.

In view of this, it is a great strain on the workers and their trade unions to stick to the observance of the Code in a one-sided way when both the employers and the Government violate it in every manner possible.

The AITUC unions, however, should observe the provisions of the Code, i.e., ask for recognition from employer, submit demands properly in advance, and try to secure settlement through negotiations. If all these fail to evoke any response, then there is no other go but to resort to strike action, after properly ascertaining the wishes of the workers and the needs of the situation. The strikes should be preceded by notice, except in cases where direct provocation by the employers takes place as, for example, assaults on workers. Strikes should be conducted peacefully, though it is well known that the employers violate peace by calling in black-legs under police protection to break the strike. And when black-legs under police protection are escorted to factories and gangsters attack workers, we wonder how the workers can be charged of violating the Code of Conduct, if they temporarily lose their temper! However, the AITUC unions should keep the discipline of the movement itself and not succumb to provocation—and also not to give up the rightful defence of working class interests.

## 10. The Pace Of T. U. Unity

HOW HAS TRADE UNION UNITY FARED IN ALL THESE STRUGGLES?  
Has it recorded an advance or retreat in the last year?

As far as the central TU organisations are concerned, TU unity has suffered a setback.

The big advance made by the AITUC in organisation, in mass influence, in membership, in chalking out policies that would help the interests of the national economy and the working class demands seem to have scared the INTUC and the HMS. They have once again taken to disrupting whatever unity exists in some TU organisations and in making the AITUC their main target of attack.

The AITUC adheres to its platform of unity. In Bombay City, it has joined hands with some of the well-known leaders of the HMS as well as leaders of various left parties in establishing a united textile workers' union. That move has been opposed by the HMS, but fortunately that has not prevented

some of their selfless leaders, with whom the mass interest is more valuable than 'anti-communist' hatred, from joining hands in *tu* unity.

But the Bombay example is an exceptional one. There the workers who united round the struggle of the linguistic state of Maharashtra and felt the need to oust the Congress from all fields, decided to unite, irrespective of party affiliation to form a new union. It is thus a unity inspired both by political and trade union aims, in which the political factor has played a large part. It is disgust with Congress politics and Congress trade unionism.

The INTUC in this period has revised its old neutrality towards unity. It is now actively disrupting even the united trade federations. In this, the most active and vicious part is played by the Deputy Minister for Labour in the Government of India, Mr. Abid Ali, who uses his official position to disrupt unity. The Minister of Labour in Bombay State, Mr. Shantilal Shah, is another pillar of disruption. Even the total general strike in Bombay against his policy has not changed him nor the Bombay Government. In fact, the minister has become more insolent towards the workers and more enthusiastic in serving his masters, the employers, especially of the Anglo-American group. The INTUC is known to be making plans to secede from united trade federations and set up rival ones—in defence industries, in banks, in post and telegraphs, in oil, wherein all trends were so far working together.

The HMS has not seceded from organisations which are united, but they are trying to throw out the AITUC elements where the HMS workers are in a majority or try to provoke conflicts by arbitrarily affiliating united unions to the HMS in order to provoke us to secede.

All these attitudes are not new. But, for some time, there was an air of working unitedly at least in the trade federations, which had traditions of united work. Now even that is being given up. Thus unity has suffered a reverse

from above. Fortunately, it is getting stronger from below in many areas and trades.

In this connection, it is worth noting that the ICFTU and its affiliates are playing an active role in preventing or disrupting unity. The West German delegation which came to India and the advice it gave to the INTUC to join hands with the HMS to isolate the AITUC is well-known. In this report, I am putting at your disposal for study, the statements of the HMS on TU unity and the ICFTU's advice. (*See Appendix.*)

In sharp contrast to this is the attitude of the WFTU to which we are affiliated. It stands by unity and is prepared to work together with all on common problems such as peace, banning atom bombs, freedom of the Afro-Asian countries and strengthening democracy and TU rights and defence of working class wages, standards of living, etc.

Despite all provocation, we adhere to our line of TU unity, united actions from below and readiness to cooperate with all in the common interests of the working class. United actions are still going on and more are possible in the future on questions affecting miners, railmen, dockers, government employees, banks and insurance, textiles, tea in West Bengal, tramways in Calcutta and many others. We still hope to restrain the INTUC from seceding from the united federations. We have hopes that the HMS leadership despite political differences will come nearer to united actions, if not unity. No doubt, the AITUC has grown in strength. But the charge that thereby we 'swallow' everyone else is unfounded. In fact, we ourselves are ready to be 'swallowed in unity' by anyone who desires. We do not fear unity because we have faith in the working class and in ourselves and our work.

A development of some importance in this connection is the crisis that has broken out in the HMS—the quarrels between the two wings—PSP and SP elements. The major TU strongholds of the HMS are controlled by the Lohia Socialists and in

Bombay City they have the functioning unions. Recently the Bombay SP leaders led by Shri Fernandes are reported to have resigned from the HMS Executive although the unions are still maintaining their affiliation with the HMS.

In Bombay City and in Maharashtra, a section of the effective leadership of the HMS is cooperating with us. Thus, within the HMS, there exists serious controversy on the whole question of TU unity.

We also notice the sharp fissures in the INTUC organisation—with rival groups of the Congress trying to get control over it.

New unions and centres so far dominated by the INTUC are coming over to us—a shift which began two years ago.

One more factor in the situation is the split in the UTUC. The split has no basis on principles but is mainly factional. Both the groups have some small but effective unions and hence this has to be taken as a factor which complicates the situation.

1958, however, will mark as a good year in the direction of emphasising the need to do something to mitigate trade union rivalry. We could say so on the basis of the evolution of the Inter-Union Code of Conduct at the meeting of four central TU organisations at Nainital. The Union Labour Minister took the initiative to convene the meeting and it was at first described as unofficial. But the formulation of the Code and the very fact that the conference was convened by the Union Labour Minister gave the meeting a unique importance. We should now demand of the Government the convening of another conference in order to assess the position since the Code of Conduct was formulated, though the INTUC leadership would like to freeze such moves and kill the idea of TU unity.

## 11. Organisation And Some Other Points

THE GENERAL PICTURE OF OUR ORGANISATIONAL POSITION IN 1958 was one of rapid advance both in terms of increase in membership and in expansion to new industries and areas. We have come to a position where we count not only the membership of our affiliated unions but the fact that we have become the gravitating centre of working class thinking on all major questions. The moral influence of the AITUC has become very high among the mass of workers, among employers and government circles and our strength has become one of the most decisive factors in the working class world.

In the next six months, what we propose to do is to emphasise the necessity to organise the State Committees on a proper basis. This, of course, does not mean that all State Committees have not the proper organisation. But they should function more effectively and intervene more on different problems. Otherwise, coordination between unions and the all-India centre would be weak.

At the centre, we have built some sort of central functioning and we are able to tackle problems as they come up. But this is not enough.

A stage has come where each State Committee, in relation to the State body of employers and the State Government should have such a position as the all-India centre holds. Our weightage in the tripartites, with the ministries, etc., at the Centre should have its reflection in the States. The State TUC should become the functioning and guiding centre of the working class in the State. The State TUC's should function with an assessment of each factory and give proper leadership.

Second, membership drive has to be undertaken. Workers are being drawn to the AITUC and we must take advantage of the gravitating movement.

Third, the AITUC Building Fund, about which we have already tabled a resolution.

Fourth, training cadres for our TU schools. We should do this in the next six months.

Each State Committee should plan out its work for the next six months, fixing priorities. If this is done, it will be possible to overcome the blocked development in certain sectors.

A suggestion has been made to convert the *Trade Union Record* into a weekly. We are prepared to do it, provided the State TUC's provide the organisation and cadre to sell it.

It would be advisable for State TUC's to run periodicals for limited periods and limited purpose. Already the Delhi and Karnatak TUC's have decided to bring out fortnightly publications. Without waiting for long-term planning, whichever STUC's could publish such periodicals should do so.

A FEW POINTS ON INDUSTRY-WISE ORGANISATION

Our priority as before goes first to iron and steel and coal, in Bihar, Bengal and Orissa area. It is here that our important tasks in relation to the state sector and the Plan have a bearing.

Second, we have to study engineering and have an all-India federation with Bombay, Bengal and Mysore as bases. Engineering, as you know, is the key to our development and the base for strengthening our freedom.

Third, on railways, we should strengthen the AIRF and Branch work. Unity should be achieved in the Southern Railway as soon as possible.

Fourth, we should devote our attention to the sugar industry, mainly in UP and Bihar.

Fifth, more united working must be explored in TU work in plantations in Assam, W. Bengal and South India.

AGRICULTURAL LABOUR UNIONS

The time is now ripe for organisation of agricultural workers in trade unions, which should be affiliated to the AITUC. In this task, we must work in cooperation with the All-India Kisan Sabha and we may also consider proposals for affiliating our agricultural workers' unions simultaneously with the All-India Kisan Sabha.

The firmest basis of worker-peasant alliance is that section of the peasantry falling into the class of agricultural labour. And in order to cement the worker-peasant alliance, the organisation of agricultural labour unions in the villages working in cooperation with the Kisan Sabhas is essential.

## ESI SCHEME

I feel we have now come to a point where we should think of serving a notice on the ESI Corporation. We supported the Employees' State Insurance Scheme when it was introduced but the progress has been disappointing. Employers are still paying less contributions than the workers. Families of insured workers are not covered by the Scheme in major centres. Hospitals have not been constructed for the insured workers. And with such a record of the ESI Scheme, the Government has proposed a new joke called a 'pension scheme'. All this we reject at the present stage. Unless hospitals are constructed immediately and families brought under the Scheme, we should withdraw our support to the Scheme. How the withdrawal of the support has to be shown in action and a concrete plan of action to win our demands may be discussed later.

The report of the Government's Study Group on Social Security is now before us, with the proposal of integrating the ESI and EPF Schemes and for introducing a pension scheme. This will have to be discussed widely in the trade union movement and opinions formulated on the Government's proposals.

## SUPREME COURT

The interference of the Supreme Court in labour matters is causing serious concern to the trade union movement. Despite the pleas made by certain eminent leaders like Nehru that the law should march with the times, the Supreme Court's judgments more and more assume essentially a retrograde character. We have to campaign against the employers filing the appeals to the Supreme Court and for a change in the law so that the progressive content of industrial legislation may not be affected by incessant and costly litigation and appeals, in which the workers can never hope to beat the employers' purse.

**VERIFICATION & BALLOT**

We must not allow the question of ballot to determine the representative character of trade unions to be overwhelmed by the new convention on verification of membership rolls. Because, after all, verification is of enrolled membership. In this, the INTUC with the backing of the employers and many of the ministers, with its facilities for enrolment at the pay counter in the factories, has all the advantages. Hence, verification of enrolled membership in today's conditions, which are heavily loaded against us, is not a democratic method based on equal treatment. Hence we must not give up the slogan of ballot, though we scrupulously participate in verification and do all we can to win in it.

**LONG-TERM AGREEMENTS**

It is asked oftentimes whether we should go in for long-term agreements. And whether such long-term agreements are in the interests of the workers. Long-term agreements are generally on bonus and there are some on wages. If such agreements can provide for some revisions to meet unexpected changes and assure stable conditions for two or three years or more, we should make them.

**ACTIVITY ON HOUSING, CULTURE & EDUCATION**

Not sufficient awareness is seen among our unions in the matter of sustained activity on issues apart from wages and other economic demands. The unions should devote particular attention to such vital questions of workers' life, as industrial housing, education and cultural advancement. Schemes for cooperative housing should be initiated and the unions wherever possible should organise cultural activities, as for instance, night schools for adult education, etc.

**ELECTIONS TO COOPERATIVES AND WORKS COMMITTEES**

Elections to cooperatives and Works Committees should

be taken seriously by our trade unions. And in this respect, the tendency to conduct election by pre-arranged and whole panels should be discouraged, and every opportunity should be utilised to bring in greater amount of unity among the workers through these bodies and their elections.

In this connection, I would like you to pay special attention to the question of Works Committees. A question is often asked how we can help in the state sector management of factories or in controlling the activities of anti-people, anti-democratic private employers and bureaucrats. The answer to that is the Works Committee elected by workers of the factory and vested with certain powers.

What could be the most democratic form of organisation inside the factory? Elected organ of the workers in the factory. The Works Committee can become something more since it could become a most democratic body directly representing all workers, irrespective of political or TU affiliation—workers who are all at the machine, exercising the right of democratic ballot, participating in management and participating in general trade union movement. There is no better form of industrial democracy. It cuts across problems of TU rivalry.

Control over management is more easy by a Works Committee than by a TU Committee. There are the shop stewards in the UK who are elected. We have no shop stewards but we have a Works Committee. Utilise that. Now Government has accepted that there should be one committee to deal with problems of industrial relations on unit level. If we can achieve elected Works Committees, we have done a great thing. Therefore, from a long-range point of view, we could emphasise elected Works Committees and demand amendment of legislation in that direction and really get it through in practice.

It also means we must train worker cadres to man the Works Committees, not a small nor easy task.

## 12. Conclusion

We are going to be faced with difficult times. They will be difficult for our national economy and much more so for the working class and toiling people.

The imperialists are losing in the race against socialism. They are losing their former colonial world. Having lost political hold, they wish to keep the Afro-Asian countries in their economic orbit and in dependence.

They hope to secure in this the profit-making ambitions of the capitalist classes of these countries as their allies and some sections of monopolists are ready to join them, despite the harm that will be caused to their own interests and to the political and economic independence of these countries.

The imperialists hope to crush national freedom movements. They hope to prevent the peaceful evolution of parliamentary democracies of these newly independent countries towards real People's Democracies and Socialism by helping the reactionary landlord and big bourgeois sections to crush democratic freedoms and establish military regimes. They want to

incite strife and war among the Afro-Asian countries. They trade on their differences and supply arms to all who get into their net to set them on the war path against each other and thereby, ruin the peaceful economy of all. They hatch mad schemes of drowning the world in atomic war.

We have to be vigilant against all these manoeuvres. We must build strong Afro-Asian solidarity but it must be based on opposition to imperialism and the rights and interests of the toiling people. The working class must be the standard bearer of this great solidarity.

In our country vast construction works are being undertaken with people's money and people's labour. But private capital is swallowing more and more of the growing national wealth, while those who labour by hand and brain get a few crumbs and starve. Private capital in its greed for profit, conspires with foreign capital and aspires to canalise every national production effort into its own pockets to the detriment of the country and the people.

Hence, in our country, we defend, develop and strengthen the state sector economy, which with its heavy industry base and transport is to become the foundation of our economic independence.

We cooperate with all in this task at the factory levels and make the working class conscious of its tasks in national development. At the same time, we defend and advance the day-to-day interests of the workers.

We cooperate with all at the village level to impose ceilings on land, give relief to the peasant and prepare for the co-operatives with peasant initiative.

We fight to preserve democratic and TU rights.

In short, we fight:

1. *Against high prices; for wage increases*
2. *Against closures and rationalisation; for social security and better ESI.*
3. *For united action and TU unity*
4. *Against attacks on AITUC; for recognition and TU rights*
5. *Against gangster and police attacks on trade unions and workers*
6. *For democratic management and check-up; against corruption and waste*
7. *For elected works committees and more powers for them*
8. *For defence of public sector; against attacks of private sector*
9. *For ceilings on land, for peasant relief and cooperatives*
10. *For freedom and democracy, peace and prosperity, and a socialist world; against colonialism, war and militarism.*

# APPENDICES

## APPENDIX I

### REPORT ON THE WORK OF THE CENTRAL OFFICE

*by K. G. Sriwastava, Secretary, AITUC*

This document is not an organisational report in the real sense of the term but, as the caption signifies, a report on the work of the central office. However, certain important organisational problems as they have arisen in the course of the centre's work during 1958 could be posed in this document in some detail. It is hoped that this would help the General Council to discuss the various organisational problems, especially those connected with the work at the centre.

#### *Cadre Position:*

Since the Ernakulam Session of the AITUC, and the improvement generally felt in our all-sided activity, the work of the AITUC centre increased manifold. The central office has gradually become a functioning national TU centre.

Besides the General Secretary who, in spite of his many-sided activities, devotes himself mainly to trade union work, one Secretary (K. G. Sriwastava) works wholetime at the centre. They are assisted by Satish Chatterjee, M. Achuthan, K. Krishnan, Dayanand Anant and M. K. Pandhe (the last two comrades joined the central office on 29.8.58 and 19.9.58 respectively).

Coms. Mahendra Sen and K. B. Panikkar are working in the WFTU office at Prague and representing WFTU at the ECAFE headquarters at Bangkok.

*Secretariat Meetings:*

During the year, Secretariat meetings were held six times, apart from informal consultations with members of the Secretariat available in Delhi at the time, on various important questions.

The meeting on 8 and 9 January, among other questions, selected AIRUC's nominees on the teacher-administrator training school under the Workers' Education Scheme.

The second meeting on 16 April, finalised the May Day delegation and the delegation to the 16th Indian Labour Conference.

The third meeting on 28 April, apart from routine questions, decided on the names of lecturers and subjects on behalf of the AIRUC for participation in the TU School in Bombay.

The fourth meeting on 28 August discussed industrial problems on coal and the work of our TUs in the IMWF. The meeting also considered the preparation of syllabus for the AIRUC School and decided on a sub-committee to draft the syllabus.

The fifth meeting on 27 September decided on organisational measures involved in ensuring correct procedure in respect of verification of TU membership. The secretariat also discussed the mica strike in Gudur, closures, the Standing Labour Committee meeting, etc.

The meeting on 26 November discussed the agenda and the preparations for the forthcoming Working Committee and General Council meetings at Bangalore.

*Working Committee Meeting:*

The Working Committee met at Darjeeling on 29-31 May, 1958. The decisions of the Committee have been published in the *Trade Union Record* and also circulated to State Committees for necessary action.

*Sub-Committee to Draft Syllabus for TU Schools:*

This Sub-Committee met in Delhi on 28 and 29 September 1958.

*Sub-Committee to Draft Memo on "Democratic Functioning of Trade Unions":*

The Sub-Committee met on 22 October 1958 at Delhi, and held

discussions. Important points for inclusion in the draft were decided upon.

#### *Meeting of General Secretaries of State tuc's:*

The Secretariat convened a meeting of General Secretaries of the State tuc's on 16 and 17 November, and discussed organisational problems. The meeting took decisions in order to ensure that the process of verification of tu membership being undertaken by the Government is done in a satisfactory manner.

#### *Industrial Committees:*

Only three industrial committees were convened by the Government of India during the year 1958. These were (1) Plantations, (2) Mines other than Coal, and (3) Jute. The latter two met for the first time.

The *Plantations Industrial Committee* met at Shillong on 20 and 21 January, 1958. Our delegates were Coms. S. A. Dange, Parvathi Krishnan and Monoranjan Roy. The Committee appointed two sub-committees, one specially to consider bonus. The sub-committees met on 23 April, 11 November, 2 December and 29 December. Com. Monoranjan Roy attended these sub-committee meetings.

The *Industrial Committee on Mines other than Coal* met at Delhi on 17 and 18 April, 1958. The AIRUC delegation comprised of Coms. M. C. Narasimhan, Nakul Guha, Nirmal Bose, Amarlal Sharma and T. B. Vittal Rao.

The first meeting of the *Industrial Committee on Jute* met at Calcutta on 1 and 2 August, 1958. The AIRUC was represented by Coms. Indrajit Gupta, Vallabha Rao and G. S. Sinha. A special committee on rationalisation in jute met in Calcutta on 30 September. Com. Indrajit Gupta attended on our behalf.

#### *Representation on Statutory Bodies:*

(a) *ESI Corporation*: The Corporation met twice this year, on 21 February and 13-14 August. In the first meeting, our nominee, Com. S. Y. Kolhatkar could not attend due to certain technical difficulties raised by the Government. He attended the August meeting. The Medical Benefit Council of ESIC met on 30 July. Com. Hrishi Banerjee attended on behalf of the AIRUC.

(b) *Central Board of Trustees, Employees' Provident Fund*: The Board met twice this year—on 24 March and in November. Com. Sudhir Mukhoti attended on behalf of the AIRUC.

(c) *National Productivity Council*: The newly-formed National Productivity Council held its first meeting on 24 March. AIRUC dele-

gates were Coms. Satish Loomba and N. K. Krishnan. Com. Loomba is also on the Governing Body of the Council, which met twice later.

(d) *Central Board of Workers' Education*: This Board was registered under the Societies Act in November 1958, for purposes of carrying forward the Workers' Education Scheme. The first meeting was held on 20 December. Com. Vithal Chaudhari represented the AIRUC on the Board. He also attended an earlier meeting of the Workers' Education Committee on 11 August.

(e) *Central Tea Board*: Our representative, Com. D. P. Ghose, attended the meeting of the Tea Board at Coonoor on 23 August.

#### *Indian Labour Conference and Standing Labour Committee:*

The 16th Session of the Indian Labour Conference met at Nainital on 19 and 20 May. Com. S. A. Dange and Dr. Ranen Sen were our delegates and they were accompanied by Coms. K. T. K. Tangamani and S. M. Banerjee as advisers.

The 17th Session of the Standing Labour Committee met in Bombay on 28 and 29 October, 1958. The AIRUC was represented by Dr. Ranen Sen as delegate and Com. P. Ramamurti as adviser.

The sub-committee of the Indian Labour Conference on Workers' Participation in Management and Discipline in Industry met twice this year—on 14-15 March and on 19 September. Com. K. G. Sriwastava attended on behalf of the AIRUC.

The 17th Session of the Standing Labour Committee appointed a tripartite sub-committee to consider amendments to the Industrial Disputes Act. The sub-committee which was to have met early December postponed the meeting twice and now it is expected to meet in Bombay on 16 January 1959. Com. V. G. Row, Bar-at-law, is the AIRUC representative on the sub-committee. The AIRUC has submitted a number of amendments to the ID Act for the consideration of the sub-committee.

#### *Other Tripartite Meetings:*

(a) One of the important tripartite meetings held on industrial issues was the meeting convened by the Government of India in Calcutta to consider problems of the *Coal Industry*. The meeting was held on 3 August. The AIRUC representatives were Coms. Kalyan Roy and Lalit Burman.

(b) *Steering Committee on Safety in Coal Mines* met at Calcutta on 17 March in which Com. Vittal Rao and Com. Kalyan Roy, accompanied by Com. A. Das participated on behalf of the AIRUC.

(c) The *Steering Group on Wages* met twice this year, on 24

February and 19 September, 1958. Com. Dange who was originally on the Steering Group could not attend the first meeting due to pressure of other work. The second meeting was attended by Com. K. T. K. Tangamani.

(d) *National Council for Training in Technical and Vocational Trades* met on 12 May, in which Com. Vithal Chaudhari participated on behalf of the AIRUC.

(e) *Central Evaluation and Implementation Committee* was convened in Delhi on 20 September. The AIRUC was represented by Coms. B. D. Joshi and Vittal Rao.

(f) The Fourth Advisory Committee meeting of the UNESCO *Research Centre* on social implications of industrialisation in Southern Asia was held in Calcutta on 20-21 January 1958. Com. K. G. Sriwastava attended on behalf of the WFTU.

(g) A meeting to discuss installation of *automatic looms* in the textile mills as per Government's plan programme, was convened by Labour Ministry on 21 December 1958. Com. Dange was invited to attend the meeting but he could not do so because he was indisposed. Com. Dange however submitted a note setting forth the views of the AIRUC on Government's proposals.

(h) *Central Advisory Council of Industries* met on 7 August, 1958. No representative of the AIRUC could attend the meeting.

(i) *Minimum Wages Revision Committee*: Because of other important work, Indrajit Gupta, our representative, could not attend the meeting of the Committee held on 13 December 1958.

#### *Development Councils:*

Out of 14 Development Councils set up by the Ministry of Commerce and Industry, Government of India, the AIRUC has representation only on two: (1) On Internal Combustion Engines and Power-driven Pumps; and (2) on Bicycles.

The Development Council on *ic Engines* met first on 11 and 12 March 1958. Com. T. R. Ganesan is our nominee on the Council. The Council also held two meetings later in the year.

The Development Council on *Bicycles* also met twice during this period. Com. Niranjan Dihider, our nominee, could not attend the first meeting held on 4 August, because of illness. He however attended the meeting held in December.

#### *Seminars:*

(a) A seminar on *Labour-Management Cooperation* was held

in Delhi on 31 January and 1 February 1958. Com. Ali Amjad represented the AIRUC.

(b) Under the auspices of the WHO and ILO, a Seminar on Occupational Health was held at Calcutta from 24 November to 5 December. Dr. Ranen Sen attended on behalf of the AIRUC.

(c) A WFTU delegation composed of Coms. K. B. Panikkar and T.C.N. Menon attended an ECAFE Seminar on Petroleum Resources held in Delhi in December 1958.

*Pay Commission and Wage Boards:*

(a) *Central Pay Commission:* On 31 May 1958 Com. S. A. Dange accompanied by Com. K.G. Sriwastava appeared before the Central Pay Commission and tendered oral evidence.

(b) *Textile Wage Board:* Com. Dange accompanied by Coms. K. G. Sriwastava, G. V. Chitnis, B. D. Joshi and N. K. Krishnan, appeared before the Textile Wage Board on 1 April 1958. Reply to the questionnaire prepared by the Textile Committee of the AIRUC and a note by Com. Dange were submitted to the Board. The oral evidence tendered by Com. Dange took about three hours.

(c) *Sugar Wage Board:* A memorandum on points raised in the Wage Board's questionnaire was submitted by the AIRUC in November 1958.

*Evaluation and Implementation Machinery:*

The AIRUC has forwarded a number of instances of non-implementation of labour laws, awards, agreements, etc., to the Evaluation Unit. In a few cases the Evaluation Unit has helped in speedy settlement, but a great deal still remain pending with them.

The AIRUC received information on such cases mainly from unions in Barbil mines, Gua mines, the IMWF, Garden Reach Textiles (Calcutta), Coimbatore textiles, ex-Barsi Light Railway, Gudur Mica mines, Amritsar and Delhi textiles, Madras hotel workers, etc.

The Central Evaluation and Implementation Committee met on 20 September and in its meeting also, representatives of the AIRUC pointedly referred to the instances of non-implementation.

Inquiry into the following strikes to determine as to who has violated the Code of Discipline was held in 1958:

i. *Jamshedpur Strike of 12 May 1958*—Shri R. L. Mehta, Joint Secretary, Ministry of Labour, made an inquiry into the Jamshedpur strike. The AIRUC submitted a memorandum to the Inquiring Officer explaining at length the background of the dispute. While pointing out that the Union resorted to strike as a last resort, the

violation of the Code of Discipline was clearly evident in the attitude and actions of the Company and the Government, the memorandum pointed out. Dr. Raj Bahadur Gour led the delegation of the Jamshedpur Mazdoor Union, when Shri Mehta held his inquiries at Jamshedpur. Later at Delhi, on 27 June, Com. S. A. Dange and Com. K. G. Sriwastava met Shri Mehta in this connection. Com. Dange also sent a note to Shri Mehta afterwards emphasising certain points connected with the risco strike.

In the meeting of the Central E & I Committee held in Delhi on 20 September, 1958, as well as at the 17th session of the Standing Labour Committee (28-29 October), Government spokesmen declared that the inquiry into the Jamshedpur strike would not be held as within the purview of the Code of Discipline since according to them, the Code took effect from June 1, 1958, (following ratification by the 16th Indian Labour Conference). The ARUC representatives on both the above Committees demanded that the report of the officer should at any rate be made known to the parties concerned and discussed in the E & I Committee. The Labour Minister has now agreed to discuss the report in the next tripartite meeting.

ii. *Bombay General Strike of 25 July 1958 and the strike in Premier Automobiles*: Shri R. L. Mehta was again deputed by the Labour Ministry to inquire into these two strikes. The ARUC submitted a memorandum on this inquiry also, which was prepared by our Bombay State Committee. Our affiliated union, the Mill Mazdoor Union, Bombay, also submitted a memorandum highlighting the situation in Bombay textiles. Com. K. G. Sriwastava, accompanied the delegation of the Mill Mazdoor Union to meet Shri Mehta in Bombay on 31 October 1958.

iii. *Calcutta Tramway Strike*: As per decision of the Central Evaluation and Implementation Committee, Shri R. L. Mehta, with representatives of employers and employees as assessors, would conduct an inquiry into the tramway strike. There are three assessors each from the employers' and workers' side. A preliminary meeting has already been held and the inquiry starts at Calcutta on 12 January 1959. Dr. Ranen Sen will represent our organisation on the inquiry body.

Although in certain cases, implementation of labour laws and agreements were expedited by the E & I Division of the Union Labour Ministry, there exist serious drawbacks in the functioning of this body. On the issue of non-implementation of the Delhi Agreement on rationalisation (15th Indian Labour Conference, July 1957), the E & I Division held that there was no agreement but that it was only a recommendation to conclude bipartite agreements. When this fact was sharply posed in the context of the Ministry's proposals to introduce automatic looms, Labour Minister Shri Nanda has now

clarified that the Delhi Agreement is binding on parties and any violations should have to be taken seriously. Again, in the matter of setting up E & I Committees at State level, many State Governments have yet to take steps.

We also find that a number of unsubstantiated and patently false cases are being reported to the E & I Division by the INTUC against our organisation. The role of the E & I Division as just a post office for transmitting such complaints came under criticism at the meeting of the Central E & I Committee. There are also instances which show that while the Division has shown anxiety in pressing for investigation complaints against our unions filed by the INTUC, similar complaints lodged by us have merited just formal acknowledgment and no serious follow up action. While, therefore, such a tendency should be combated, our unions should also give greater attention to reporting violations on the part of the INTUC which, as we have found many a time, have gone unreported.

#### *Intervention in Strike Struggles:*

The AITUC centre intervened and helped the strikes of workers during this period, notably in Burnpur, Bangalore, West Bokaro collieries, Jamshedpur, Premier Automobiles of Bombay, Beedi workers of Rajnandgaon, Port and Dock, Gudur mica mines, Hutti gold mines and Beawar textiles. In the struggle against closures, especially in textiles, in the different centres, the AITUC extended its full support.

#### *Important Representations:*

On every major issue affecting the working class, the AITUC has made representations to the Governmental authorities. The central office made repeated representations on the policy of repression indulged by the Bihar Government and the TISCO against Jamshedpur workers and other questions connected with the dispute. On the strike struggles of Hutti miners, Punjab patwaris, mica miners, West Bokaro coalminers and other sections of workers, several representations were made. Attention of the Government was drawn to the tense situation arising out of non-implementation of labour laws and awards as in the case of cashew workers in Mysore, miners in Chhikhli, Delhi textiles, textile workers in W. Bengal, etc. On the struggle against closures, the central office took up the cases, among others, of Kaleeswarar mills in Coimbatore, closure of blast furnaces in Kulti, jute mills in Katihar and a detailed memorandum prepared by our Textile Committee was also submitted on textile closures. Closures and the crisis in iron ore mining and manganese ore mining in Barbil, Orissa, were also taken up. Crisis in artificial

silk industry in Punjab, demand of Monghyr tobacco workers for exemption from ESI Scheme and the need for speedy settlement of plantation bonus disputes, etc. were raised with the Government. Several instances of non-implementation of the Coal Award were cited and Government urged to end the system of contract labour in collieries.

Strong protests were made by the AITUC on the policy of denial of passports to our delegates by the Government, on the discrimination practised by Government against the AITUC, especially seen in the non-inclusion of AITUC representatives on Cement Wage Board, in 12 Development councils, etc. The AITUC also protested against the presence of us and UK Embassy representatives in the Indian Labour Conference.

#### *Deputations — Interviews:*

(a) Com. Dange led a deputation of United Iron & Steel Workers' Union, Burnpur, and Jamshedpur Mazdoor Union, on 24 March, 1958, to meet Prime Minister Nehru and placed before him the grievances of iron and steel workers of the two centres. Com. Kedar Das, Ali Amjad and Renu Chakravarty were members of the deputation. A memorandum was submitted to the Prime Minister and also the Union Labour Minister the next day.

After the strike in Jamshedpur, office-bearers of the AITUC had several meetings with government representatives and discussed several pressing problems. During the enquiry into the strike by Mr. R. L. Mehta, Dr. Raj Bahadur Gour led the JMU delegation which went to give oral evidence. Later Com. Dange and Com. Sriwastava also met Mr. Mehta in Delhi on 27 June 1958.

(b) On 17 February, Dr. Raj Bahadur Gour and Com. K. G. Sriwastava met the Labour Minister in connection with the West Bokaro colliery strike.

(c) Coms. Parvathi Krishnan, K. G. Sriwastava and Parduman Singh met Shri Manubhai Shah, Minister for Industry, in February 1958, regarding the crisis in silk and woollen factories in Amritsar.

(d) On 30 August, and later in December, Com. S. A. Dange had discussions with the Union Labour Minister on the various issues the AITUC had raised with the Labour Ministry.

(e) Com. R. B. Gour and Com. K. L. Narasimham met the Chief Labour Commissioner in connection with the Gudur mica strike. Later, on 1 October, Coms. K. G. Sriwastava and T. B. Vittal Rao met the Secretary, Ministry of Labour, and on 11 December, Coms. K. T. K. Tangamani and K. L. Narasimham again met the Chief Labour Commissioner, on the same dispute.

Members of Parliament who are office-bearers of the AIRUC together with other MP's connected with the trade unions have been leading numerous deputations in this period, meeting Ministers and Government officials on the various issues brought before the AIRUC and directly to the MP's.

*National Rally Meet:*

On the invitation of the HMS, representatives of all central TU organisations (except the INTUC) and industrial federations met in Delhi on 23 February 1958, to consider ways and means to check the rising cost of living and the workers' demands for wage increase.

The AIRUC was represented at this meeting by Coms. S. A. Dange and K. G. Sriwastava.

The meeting decided to hold rallies and demonstrations all over India in State capitals on 27 March 1958. The Charter of Demands was presented to the Prime Minister on 1 April 1958 by a delegation of HMS and AIRUC representatives. Coms. Parvathi Krishnan and K. T. K. Tangamani were on the deputation from the AIRUC.

*In Parliament:*

In the 1957 elections a number of our prominent TU leaders have been elected MLA's and MP's. These election victories have helped the movement to raise many trade union issues in State legislatures and the Parliament during the last two years. This is seen from the report of our MP's activities during the year 1958, given below:

*Budget Session:* During the Budget Session of Parliament, the TU MP's were quite active. Besides speaking on the General Budget and Labour Grants (the summary of speeches have been published in the *Trade Union Record*), they raised the urgent problems of the workers through a number of adjournment motions, calling attention and short notice questions.

They also raised discussions on the following non-official resolutions, during the Budget Session:

- "That all service Rules of the Government of India be examined by a Joint Committee of both Houses." (25 April 1958)
- "To inquire into the rapid decrease in the number of women labour employed in coal, jute, textile and other industries, to ascertain causes." (9 May 1958)
- "Discussion on the delay in amending Workmen's Compensation Act." (9 March 1958)

- To consider the annual report of the esi Corporation for the years 1954-56. (8 May)
- Non-payment of miners' wages in Orissa coal mines. (9 May) Amendment of the Provident Fund Act also afforded opportunity to discuss the issue re-implementation of Provident Funds Act.

*August-September:* During the August-September session of the Parliament, the following adjournment motions were moved by our MP's:

- "Calling out of troops in connection with the strike of workers of the risco in May 1958." (12 August)
- Closure of Kaleeswarar Mills. (20 August)
- Closure of manganese mines in Orissa.

The official bill relating to trade unions debated during this session was the Industrial Disputes (Banking Companies) Amendment Bill (28 August).

Two important issues came up for discussion by way of non-official resolutions. One was the Rajya Sabha discussion on the motion for "A Committee of MP's to examine causes of present industrial unrest" (22 August and 5 September). In the Lok Sabha, on 22 September, a non-official resolution was debated for amending the Constitution "to remove jurisdiction of High Courts and Supreme Court over tribunals and courts constituted under the Industrial Disputes Act."

Besides, there were half-hour discussions on Social Security (Lok Sabha—19 Sept.) and on Subsidized Industrial Housing Scheme (Rajya Sabha—16 September).

*November-December:* The Workmen's Compensation (Amendment) Bill was debated in the Rajya Sabha from 24 to 27 November, in which our MP's participated and demanded comprehensive amendments.

The debates on the investment policy of the LIC and on textile exports provided opportunity for important interventions by our MP's. Our MP's also participated in the debate on the non-official resolution for appointment of a committee to estimate the incidence of unemployment.

Discussions were raised by our MP's also on closure of furnaces in Kulti and the lay-off of workers in Assam coal mines.

The services of the MP's including those who are office-bearers and Working Committee members, are at the disposal of the AIRUC only when they are free from normal parliamentary, constituency, local ru and other jobs. That is why we find it difficult to make

them available for tours, conferences, strikes, etc., when asked for by the unions.

In response to the decision of the Working Committee, some MP's visited Jamshedpur, after the May strike.

For want of coordinated information, we are unable to give a picture of the work in State legislatures.

#### *Trade Union Schools:*

According to reports received at the central office, trade union schools were held at Giridih, Bombay, Assam and UP during the year. The first three were held under the auspices of individual unions. The UP STUC held a school at Kanpur and among those who participated in the Kanpur School were Coms. Raj Bahadur Gour, K. G. Sriwastava and K. T. K. Tangamani.

A Teacher-Administrator Training School under the Workers Education Scheme of the Government of India was held at Bombay from May to November 1958. The AIRUC sent four students to the school: Coms. K. M. Sundaram (Tamilnad), P D. Gandhi (Gujarat), M. K. Pandhe (Bombay) and Krishna Jiban Basu (Bengal). All the four have completed the course. Com. Pandhe has joined the AIRUC centre while the others have reported back to their STUC's.

The AIRUC was allotted 17 lectures and the AIRUC lecturers at the School were: Coms. S. A. Dange, Raj Bahadur Gour, G. Sundaram, S. Y. Kolhatkar, A. S. R. Chari, Parvathi Krishnan, K. T. K. Tangamani, N. K. Krishnan and Vithal Chaudhari.

#### *Needs of Research Scholars:*

Students doing research in various universities and institutions have sought help from the AIRUC centre in connection with their work, specially when the subject matter pertains to labour. Half a dozen such students came to the AIRUC office and held discussions on their respective subjects with the members of the Secretariat.

Worth mentioning in this connection is a visit of about 35 students of social science from Patna University headed by Prof. Sinha who visited AIRUC office in early November 1958. Com. K. G. Sriwastava addressed them for about an hour and replied to their queries regarding problems of TU movement and AIRUC policy.

#### *WFTU*

The Executive Bureau of the WFTU met at Budapest from 30 March to 11 April. Com. Dange who is on the Bureau could not proceed to Budapest to attend the meeting as on these dates he was to

appear before the Central Pay Commission and the Textile Wage Board.

*Trade Unions Internationals:*

The Administrative Committee of the Transport TUI met in Moscow on 5 June. Com. Satish Chatterjee attended from India.

The Administrative Committee of Leather TUI met prior to the International Conference of the TUI at Sofia in July. Com. Sailen Paul attended.

Com. Mohd. Elias was the reporter on the second item of the agenda at the International Conference of Metal and Engineering TUI. He was at Prague for over a month in connection with the preparation of the report.

Miners' TUI held its Administrative Committee meeting in December 1958. Com. M. C. Narasimhan attended the meeting.

*Committee for Solidarity with Algeria:*

A meeting of the national centres of trade unions was held under the auspices of WFTU at Prague on 29 July 1958 to form the preparatory committee for the defence of the struggle for freedom and independence of Algerian people. The meeting was attended by Com. Md. Elias on behalf of AIRUC.

An extraordinary session of the WFTU Executive was held on 25 and 27 July, at Prague on the Middle East situation. Com. Md. Elias attended the session on behalf of AIRUC.

Later, the International Committee for Solidarity with Algeria met in Cairo from 12 to 15 September. Com. Parvathi Krishnan represented AIRUC on the Committee.

At the Prague meeting of the Committee, Com. Mahendra Sen represented our organisation.

*International Conferences:*

a) *World Young Workers' Conference:* The Conference was held in Prague from 14 to 20 July, 1958. Since the Government did not give a single passport to our delegates, none could attend from India. Com. Sailen Paul who was in Europe at the time in connection with another conference participated.

b) *International Conference of Textile and Clothing Workers:* The Third Conference of the Textile TUI was held at Sofia on 25-26 July. Of our delegates only Com. Arun Sen (W. Bengal) got passport and could participate in the conference.

c) *International Conference of Leather Workers* was also held at

Sofia on 27-28 July. Com. Sailen Paul participated from India. Com. Shiv Sharma (UP) another delegate from India reached late because of delay in obtaining passport.

d) *International Conference of Textile and Leather Workers:* This conference which met immediately after the Textile and Leather Conferences at Sofia set up one RWI for both Textile and Leather Workers. Our delegates to the earlier conferences participated in this conference also.

e) *International Metal and Engineering Workers' Conference:* As already reported, Com. Mohd. Elias was the rapporteur on the second point of the agenda (Tasks of the Metal and Engineering Workers in Colonial and Dependent Countries). None else could participate since the Government denied passports.

f) *International Conference of Agricultural and Forestry Workers:* Held at Bucharest from 16 to 19 October, Com. Prasada Rao and a delegation from the All-India Kisan Sabha participated in the conference. None of our nominees from the plantations could get passports.

g) *Stockholm Peace Conference*—Coms. Mohd. Elias and Sudhir Ghose attended the Stockholm Conference.

#### *Delegations — May Day:*

In May Day delegations this year, we could send only two comrades: Com. S. C. Dutta (UP) went to Peking and Com. Kallat Krishnan (Kerala) went to Moscow. Com. Satish Loomba who was nominated for May Day delegation to Moscow was at first refused passport but later, on reconsideration, was granted passport on 17 May. He left for Moscow on 20 May.

#### *Foreign Visitors:*

On 8 January 1958, Com. Dange met the Soviet delegation to the 25th Session of the AIRUC and on 11 January, Com. K. G. Sriwastava met them at Delhi. Souvenirs were presented to them by Com. Dange at Bombay on 11 January.

On 8 January, Com. Dange met the Chinese delegation to the Ernakulam session and presented Souvenirs.

Mr. D. J. Burgess, Labour Attache, American Embassy at New Delhi, visited the AIRUC office on 13 January and had discussions regarding decisions of the Ernakulam session with Com. K. G. Sriwastava.

Mr. Turner, Dy. Labour Attache, UK High Commissioner at Delhi visited the AIRUC office on 15 January and had a talk with the Se-

cretary on the conclusions of the Ernakulam session.

Mr. Marcel Roberts, chief of the ILO's Department on Industrial and Occupational Health, visited the IITUC central office on 17 and 18 November and had discussions with Com. Dange, Com. K. G. Sriwastava and Com. K. T. K. Tangamani.

*Tour by AITUC Officials:*

*January 1958:* Com. S. A. Dange visited Shillong on 21 January 1958 and had discussions with Assam IITUC comrades. On his way back, he went to Burnpur and Jamshedpur.

*February 1958:* On 2 February, Com. Dange addressed the Fourth Annual Conference of All-India Defence Employees' Federation at Calcutta. On 4 February, Com. Dange attended the Coalminers' Conference at Bermo, Bihar.

Com. Parvathi Krishnan and Com. Mohd. Elias visited the scene of Chinakuri mine disaster on 21 February.

*March, 1958:* Com. S. S. Mirajkar inaugurated the Sixth Session of South Kanara IITUC Council at Mangalore on 16 March.

Com. Parvathi Krishnan visited Bangalore in connection with the strike in Hindustan Aircrafts, on 14 March.

Dr. Ranen Sen visited Jamshedpur in the middle of March.

Com. Dange visited Calcutta in March and had discussions with comrades.

*April, 1958:* Com. Dange addressed the General Council of Punjab IITUC at Nangal on 19 April. He also addressed the Annual General Conference of Textile Mazdoor Ekta Union at Chheharta on 10 April. Coms. Indrajit Gupta, Satish Loomba, K. T. K. Tangamani and K. G. Sriwastava also attended the conference.

*May, 1958:* On 1 May, Com. Raj Bahadur Gour visited Ludhiana.

Com. Indrajit Gupta visited and addressed meetings at Jamshedpur on 4 May.

Com. Dange was in Jamshedpur in the last week of May in connection with the IITUC strike. He also had been to Patna and met Bihar Chief Minister.

On 11 May, Com. K. G. Sriwastava participated in a meeting of the Western Zone of UP State Committee, held at Bareilly.

Com. Mohd. Elias visited Jamshedpur on 15 May.

*June, 1958.* Com. Md. Elias visited Jamshedpur in the first week.

Dr. Raj Bahadur Gour attended the M.P. Manganese Workers' Conference at Balaghat held on 10-11 June. He visited Jamshedpur on 18-20 June in connection with the enquiry under the Code of

Discipline. Earlier on 12 June, he visited Bhopal and held discussions with MP TUC comrades.

*July 1958* — Com. K. G. Sriwastava visited Jabalpur and inaugurated the M.P. Motor Workers' Conference held on 19-20 July.

Dr. Ranen Sen visited Jamshedpur on 10-11 July.

*August 1958* — Com. Homi Daji visited Jamshedpur on 3 August and Com. K. G. Sriwastava visited Jamshedpur later in the month, on 23 and 24 August.

Dr. Raj Bahadur Gour participated in the Executive Committee meeting of Karnatak STUC held in Bangalore on 1 and 2 August.

*October, 1958:* Com. P. Ramamurti and Com. K. T. K. Tangamani went to Kerala in connection with the strike in Kerala plantations.

On 12 October, Dr. Raj Bahadur Gour inaugurated the Conference of the Petroleum Workers' Union at Ambala.

Com. Aruna Asaf Ali inaugurated the All-India Petroleum Workers' Conference at Delhi on 30 October.

*November 1958:* Com. P. Ramamurti inaugurated the Conference of Central Industries Employees' Federation at Bangalore on 15 and 16 November.

Com. Raj Bahadur Gour toured Himachal Pradesh.

Com. Md. Elias visited Assam in connection with organisational work.

Com. Panikkar visited Kerala on 21-23 November in connection with organisational work.

*December 1958:* Com. S. A. Dange and Com. K. G. Sriwastava visited Calcutta and had discussions with comrades working in engineering, port and dock, coal and iron and steel industries from 9 to 12 December.

On 13, December Com. Dange visited Jamshedpur and addressed a mass rally. On 14 December Com. Dange addressed a Jute Workers' Convention at Calcutta.

Com. S. A. Dange and Com. K. G. Sriwastava and Indrajit Gupta visited Burnpur, Kulti and Asansol from 26 to 29 December and held consultations with the United Iron & Steel Workers' Union and Sen Raleigh Employees' Union.

#### *AITUC Nominations:*

The following nominations were made by the AITUC during the year for representation on tripartite committees:

- |   |  |
|---|--|
| 1. Employees State Insurance Corporation                                | : Com. S.Y. KOLHATKAR                              |
| 2. Medical Benefit Council of ESIC                                      | : Com. H. BANERJEE                                 |
| 3. Central e&i Committee  | : Com. B. D. JOSHI                                 |
| 4. Housing Panel of Planning Commission                                 | : Com. HOMI DAJI                                   |
| 5. Development Council for Bicycle Industry:                            | Com. NIRANJAN<br>DIHIDER                           |
| 6. Committee on Implementation of<br>Minimum Wages Act (Central Sphere) | : Com. INDRAJIT GUPTA                              |
| 7. Rubber Board   | : Com. ROSAMMA<br>PUNNOSE                          |
| 8. Central Board of Workers Education                                   | : Com. VITHAL<br>CHAUDHARI                         |
| 9. National Productivity Council  | : Com. SATISH LOOMBA<br>and<br>Com. N. K. KRISHNAN |

Besides the above, the AITUC nominated four comrades—one each from W. Bengal, Bombay, Delhi and Kerala—for the UNESCO Study Tour. However, the UNESCO informed us that our request for grant could not be made available in 1958 and that they may consider the same for 1959.

Four students have also been nominated for training as welfare personnel under the scheme of the Coal Mines Welfare Organisation. The nominations were made on the recommendations of the Indian Mine Workers' Federation.

*Discrimination Against the AITUC:*

Discrimination against the AITUC as a policy of the Government is continuing, in the matter of giving due representation on the various committees, delegations, study tours, etc.

In the delegations from India to the ILO and its Industrial Committees, the AITUC was not called upon to give nominations.

In regard to the Workers' Study Tours in Asia under the auspices of the UNESCO, we were informed that none of our representatives could be selected for this year's tours.

In the ILO Technical Tour and such other programmes under the Colombo Plan, our nominees were not taken.

On the Gorakhpur Labour Advisory Committee, our representatives have no place.

On none of the Wage Boards the AITUC is represented.

In the various tripartite committees the ratio of representation to the INTUC and AITUC is from 3 : 1 to 6 : 1. When we protested against this, we are informed by the Government that such a repre-

sentation is based on the basis of verified membership as on 31.3.57 (The AIRUC as a protest did not send returns for this period).

On the Central Advisory Council of Industries, the AIRUC is never taken on its important sub-committees, as in the licensing committee. Similarly, on the Standing Committee of the ESI Corporation, the AIRUC has not been given a place. The same is the position with regard to 12 out of the 14 Development Councils set up by the Ministry of Commerce and Industry.

#### *ILO:*

The Government of India continues to recognise and send representatives of the INTUC only to the ILO and its Industrial Committee meetings. A formality of asking if any joint or agreed delegation on behalf of all the central TU organisations can be sent was done by Government this year as well. The AIRUC in reply stated that since Government continues to show partiality towards the INTUC in this matter, the AIRUC does not consider it worthwhile to make any proposals in this regard.

The Government of India has this year ratified the convention stipulating equal pay for work of equal value. Ratification was done only when much of the force of the convention was lost in an ILO interpretation that the Government need adhere to it only 'as far as possible.' Again, the convention will become effective only 12 months after its registration with the ILO.

#### *Circulars:*

The following circulars were sent to the State TUC's:

1. Re. Non-Implementation of Awards, etc. (in TUR, 20.1.58)
2. —do— reminder — on 27.2.58.
3. National Rally on March 27 — 28.2.58
4. Decision of Working Committee meeting (Darjeeling) — 10.6.58
5. Affiliation fees from Unions — 2.7.58
6. On Gratuity &c. in Textile Industry — 12.7.58
7. On Verification Procedure 13.8.58
8. On Metal & Engineering, and Agriculture TUI Conf. — 16.8.58
9. On Verification Procedure — 11 Sept.
10. TUI Conference—Agricultural & Forestry — 11 Sept.
11. On Works Committees — 11 Sept.
12. On Publications of STUC's — 5 November.

#### *Circulars to affiliated unions include:*

1. Non-implementation of Awards — TUR, 20 January.
2. Preparation of Industrial Reports — TUR, 20 February.

3. On Uneconomic Units — TUR, 20 April
4. On Works Committees — TUR, 20 May.
5. On Subsidised Industrial Housing — TUR, 20 May.
6. On Agricultural TUR Conference — TUR, 5 June.
7. On Works Committees — TUR, 20 June.
8. On Affiliation Fees — TUR, 5 August.
9. Workers Education Scheme — TUR, 20 September.
10. New Affiliation Certificates — TUR, 20 September.
11. Industrial Committee on Chemicals — TUR, 20 September.

Five circulars were sent to Working Committee members on the agenda and other details relating to the Darjeeling session as well as the forthcoming Bangalore session. General Council members were informed of the agenda of the Bangalore session in a circular issued on 16 December.

Three trade circulars were issued (1) To engineering unions on the international Trade Conference, (2) to textile unions for collecting certain information required by the Textile Wage Board, and (3) to sugar unions on the meeting called at Delhi to draft reply to Wage Board questionnaire.

*Press Statements:*

Following are the statements issued to the Press by the central office.

8. 1.58 — Hands Off Indonesia Day
28. 1.58 — Summit Conference Fortnight
21. 3.58 — Nullification of Journalists Wage Award
24. 3.58 — Deputation to Prime Minister — Iron & Steel
25. 3.58 — Condolence on demise of Com. D'Mello
27. 4.58 — Goonda attack on strikers in Premier Automobiles  
Bombay
1. 5.58 — May Day
8. 5.58 — Jamshedpur Strike
15. 5.58 — —do—
20. 5.58 — On Indonesia
16. 6.58 — Port & Dock Strike
14. 7.58 — On sad demise of Comrade Chakkarai Chettiar
23. 7.58 — Bombay General Strike
29. 7.58 — Firing in Kerala
1. 8.58 — On Code of Discipline and Kerala INTUC
16. 9.58 — On INTUC President's slanderous remarks
20. 9.58 — India China Friendship Fortnight
- 21.10.58 — Firing in Kerala Plantations
- 21.10.58 — 38th Anniversary of the INTUC

- 24.10.58 — Kerala Plantation Strike  
 29.10.58 — Com. Dange's Illness  
 5.11.58 — Death of Kalindi in Jamshedpur Jail and inhuman treatment of undertrial prisoners

*Defence of Jamshedpur and Gua Comrades:*

As per the appeal issued by the Working Committee of the AIRUC, for contributions to the Jamshedpur Workers' Aid Fund, collections till end of December 1958 total Rs. 3,697.30.

To help the union in defending the TU leaders implicated in several criminal cases, including a conspiracy case, large funds are required. The campaign for Jamshedpur Fund should therefore be further intensified. The AIRUC centre has so far remitted a sum of Rs. 5000 to the Jamshedpur Mazdoor Union.

Several attempts were made to get bail for the TU leaders but bail was not granted even after agitating up to the Patna High Court.

*Gua Fund:* Collections in the defence of trade union leaders of Gua iron ore miners, so far received in the AIRUC centre, total Rs. 2,895.00.

The Comrades were convicted in the lower court but appeal has been made. They were granted bail by the High Court. The case is still going on and the AIRUC has so far spent Rs. 9500.00 on this account.

*Trade Union Record:*

We have been able to bring out our fortnightly organ, the *Trade Union Record*, regularly this year, except for a break—the issue dated 5 January 1958, following the Ernakulam session.

We have to note that we do not get sufficient reports from the States for publication in the TUR. Important meetings of tripartite bodies in different States have gone unreported for the sole reason that the participating comrades did not post us with requisite information. The same is equally true even in respect of reporting major strikes and settlements. Requests to our functionaries in the States and in different industrial centres for articles and reports have been largely unresponded.

The editorial and circulation work of the journal still remain on an *ad hoc* basis, there being no wholetime staff who could be given this responsibility. The result is, of course, that we could not put it in proper shape.

With the growing TU movement in general and our influence in particular, a fortnightly journal would not possibly cope up with the

the rapid strides of the movement. At the same time, with a selling price of just 20 nP for a 16-pager, and with its limited sale, we cannot venture either to increase the pages, or change the form at into a bigger size, or think of converting it into a weekly.

*Publications:*

We have published the following books and pamphlets during 1958.

1. *General Report at Ernakulam* by S. A. Dange, pp. 104, Price Rs. 1.25
2. *Budget and Plan—Capitalist offensive and the People* (Com. Dange's speech in Lok Sabha), pp. 20, price Rs. 0.15 nP
3. *S. A. Dange on Mundhra Affair* — Speech in Parliament, pp. 16—12 nP
4. *Earnings of Factory Workers in 1956*, with a foreword by S. A. Dange — Price Rs. 0.25 nP
5. *Sixteenth Tripartite* — Papers relating to 16th Indian Labour Conference with a foreword by S. A. Dange — Rs. 1.25 nP.

*General Guidance:*

Besides guidance through letters and personal meetings with comrades of various unions who either come to Delhi or meet our office-bearers on tour, industry-wise meetings were convened by the ARRUC centre from time to time. These include meetings of textile comrades (January), Port & Dock (March), Iron & Steel (March and December), Sugar (April and November), Banks (December), Insurance (December) and periodical consultations with comrades in petroleum, engineering and coal industries.

*Verification of Membership:*

The Union Labour Ministry, on the basis of the verification procedure adopted at the 16th Indian Labour Conference, has started verification of the membership of all the four central TU organisations to determine their membership.

This year the ARRUC has submitted its returns of membership as on 31.3.58—about 15 lakhs. As the registration number of some of the unions could not be furnished to the Chief Labour Commissioner within the specified period, some of the unions have been scored out and the lists sent to the Regional Labour Commissioners for verification. So the membership of the ARRUC as per the CLC is 13,99,931 in 1420 unions.

The respective claims of other organisations are:

INTUC	..	1067 unions	..	13,79,535
HMS	..	237 „	..	3,58,772
UTUC	..	284 „	..	1,96,996

The AIRUC has objected to the scoring out of the those unions whose registration numbers we were unable to furnish within the stipulated period for the following reasons: (1) The Government will in any case have to check up if the registration number given is correct or not and thus they can as well find out if a particular union is registered or not; and (2) due to discriminatory treatment towards TU centres other than the INTUC, AIRUC unions are not registered promptly and registration has been delayed for years. We therefore pointed out that those unions which are really registered unions (irrespective of the fact whether the number is stated in the returns or not) as well as those unions which applied for registration and are functioning for six months should be included in the lists of the central TU organisations.

While conceding that the arguments have some force, the Union Labour Minister has however ruled out these objections for the present.

#### *Contact with STUCs and Unions:*

In my last report to the Working Committee (May 1958), it was stated:

‘Since Ernakulam session, contact through correspondence with State Committees has improved.

‘It is not claimed that each and every letter received in the central office from the Unions has been replied. But by and large, most of the letters requiring attention of the centre have been responded. No record of number of letters received has been kept but on an average, about 20 letters are received and approximately an equal number despatched every day.’

Since May, there has been distinct improvement in establishing contacts with the STUCs.

Correspondence with the Unions has increased. We are sure that overwhelming majority of unions affiliated to us have sent their annual returns to the Registrar of TUs. But our appeal to send a copy of the returns to the AIRUC did not have desired results, except from the South Kanara region of Mysore. It would be better if trade unions display their registration number and the fact that it is affiliated with the AIRUC on their letterheads.

We had proposed to give a short organisational report on the

position in each State in this document. But for want of up-to-date information, we cannot do so now. However, we are giving below our membership in the different States and the number of ruc's as on 31.3.58:

1. Andhra Pradesh	97	85,028
2. Assam	10	22,439
3. Bihar	52	82,915
4. Bombay	132	2,62,137
5. Kerala	485	2,32,642
6. Madhya Pradesh	30	25,216
7. Madras	168	2,46,271
8. Mysore	38	49,026
9. Orissa	19	27,489
10. Punjab	64	48,238
11. Rajasthan	1	4,800
22. Uttar Pradesh	66	29,927
13. W. Bengal	240	2,42,446
14. Delhi	17	41,292
15. Manipur	1	65
	<hr/>	<hr/>
	1420	13,99,931
	<hr/>	<hr/>

#### *A Few Modest Suggestions:*

Following from the factual material detailed in the foregoing pages, and basing on experience of the year's work, we venture to make a few modest suggestions to tone up our organisation:

1. To set apart in each State, cadres whose primary responsibility should be to look after sruc centre's work. The General Secretary of the State Committee should also take upon himself the work of the sruc as priority work.
2. Regular sruc Conferences, Working Committee and General Council meetings should be held.
3. Reports should be made to the central office of all the Tripartite Committee meetings and Conferences at State level as well as on Working Committee meetings of the sruc.
4. Sales of *Trade Union Record* among the middle class and English-knowing cadre of affiliated and non-affiliated unions should be organised. Campaign should be initiated for enrolling larger number of annual subscribers.
5. Membership campaign for the year 1958-59 (as on March 31, 1959) should be intensified. This should have top priority.
6. Unions should be asked to send copy of their annual returns

- to the Registrar of Trade Unions to the ARRUC centre and the STUC.
7. To fully utilise and invariably send reports and cases of non-implementation of awards, agreements, labour laws, etc. to the Evaluation and Implementation Division of the State Labour Department and later to the Central E & I Machinery through ARRUC.
  8. To honour and observe the Code of Discipline and Code of Conduct agreed to at the Nainital Conference and to report breaches of the Code to the E & I Machinery.
  9. Works Committees to be made basis for settling local and workshop grievances; non-functioning of Works Committees or non-implementation of its decisions to be reported to the ARRUC centre.
  10. Prompt payment of affiliation fees to the ARRUC centre and the STUC's by the unions should be ensured so that these organisations are able to discharge their responsibilities efficiently. (The tendency not to pay till reminders are sent and to wait till annual conferences to pay up the dues should be discouraged.)
  11. Unions which are not recognised by employers should apply for recognition in terms of the Code of Discipline (Clause 6 — under head 'Management Agree').

## APPENDIX II

### COAL BELT IN 1958—A REVIEW

*by Kalyan Roy*

*General Secretary, Indian Mine Workers' Federation*

The struggle for correct implementation of the Award of the Labour Appellate Tribunal continued throughout the year 1958. And 'Implementation of the LAT Award', remained the key slogan of all unions.

The fight was mainly between an individual employer and a section of workers in a colliery who were dissatisfied with the way the award was interpreted and implemented. There were numerous departmental fights by miners and trammers for their tub or pushing rates, electricians and fitters for proper categorisation, and similar fights by wagon loaders, khalasis etc., throughout the coal belt within the framework of the award.

Employers as a whole, and also individually, maintained a uniform attitude of stubborn hostility to deviate from what they thought to be the correct interpretation of the award. The Implementation Committee set up by the Labour Ministry with the Chief Labour Commissioner as its Chairman in August, 1957, for 'interpretation and implementation' of the award which raised high hopes, winded up in April, 1958, after eight months of fruitless bitter arguments and counter arguments. What was supposed to be an instrument for smooth interpretation and implementation became a mere debating forum. Excepting a few minor points like paid festival holi-

days, train fare for various categories, all the major points which were submitted by the unions for solution remained unsolved. The only gain was that the AIRUC and the Indian Mine Workers' Federation leaders for the first time sat with the representatives of the coal industry to discuss labour problems which was so long considered to be exclusive domain of the INTUC.

The main reasons for the failure of the Implementation Committee are:

(a) While workers' representatives generally put up a united fight (although there were differences, as for instance, while the AIRUC representative wanted that all those who would resume duties after return from home be paid return railway fare without any condition, the INTUC delegate agreed with employers to put some additional conditions), there was no general campaign by the unions to inform the workers about demands placed in the committee and build up a powerful industry-wide movement.

(b) The absence of any definite policy of the Government. After setting up the Committee, the Labour Ministry ceased to take any interest, and the Chief Labour Commissioner without any direction from the top just watched its proceedings helplessly; and

(c) Once the mine owners got the rise in coal price by Rs. 1.50 per ton, they refused to adjust the award in any way which would have cost them a few annas here and there. Further increase in coal price would have to come first before any major adjustments, employers bluntly told the Committee.

Employers were fighting for another round of price increase and their representatives said that any all-round settlement would weaken their case for a price increase before the Government. They wanted to keep the disputes alive in order to use them for pushing the Government to agree to further increase in coal price.

Even where the Implementation Committee came to a unanimous conclusion regarding some controversial points, which were not liked by employers (both in state and private sectors) as in the case of overburden workers of the National Coal Development Corporation, the Labour Ministry made no effort to compel the owners to implement them. The authorities of the National Coal Development Corporation simply ignored the recommendations of the Committee, thanks to the 'do nothing' policy of the Government.

The struggle for implementation of the Award entered into a critical stage with the rise in the Cost of Living Index to 114 in December, 1957, which was published in the *Indian Labour Gazette* in March, 1958. As soon as the *Gazette* was out, the Federation and also the INTUC immediately demanded the payment of Rs. 4.75 as additional dearness allowance as per the Award. Employers refused.

As it affected coal workers all over India, excluding Assam, and the demand was simple and employers were absolutely unjustified in their stand, it gave ground for an industry-wide action and movement. Colliery Mazdur Sabha (Ranigunj), Coal Workers' Union, (Hazaribagh), The Singareni Collieries Workers' Union, organised powerful demonstrations, *gheraos* and were able to take initiative to bring the demand to the forefront. The IAMS did not take up the issue in any one of the belts. While the INTUC gave a general strike call, it made no effort to organise such a strike and its agitation was confined to press statements. However, the Federation supported the strike call of the INTUC.

Though the battle did not seem to be imminent, tension mounted. Representatives of the three employers' associations met the Government and agreed to pay the extra dearness allowance on condition of further increase in price. The Government agreed to the pressure of coal barons and announced a further increase in price by 75 naye paise per ton to meet the 'cost'.

With the payment of additional dearness allowance, the tension eased. The Labour Ministry called a Tripartite meeting in Calcutta in August, 1958, to discuss the question of extension of the Award and although the ARUC and Federation representative pressed for immediate solution of all pending major disputes and a Wage Board for the whole industry, it was decided to extend the award for another year, till May, 1959, which would be the last year of the award. It was also decided that a Standing Committee will be set up by the Government shortly to discuss all pending disputes with a view to arrive at agreed settlements, failing which they would be settled either through arbitration or adjudication.

But like many other promises of the Labour Ministry, the Standing Committee has not yet been set up. And the last and one of the most important directives of the Award—to introduce time scales and grades for all categories of workmen after the expiry of two years from the date of publication of the award—has not yet been taken up. The issue is a complicated one and without a powerful movement of all coal workers, stretching from Singareni to Ranigunj, it would be difficult, if not impossible, to compel the employers to agree to a reasonable and uniform time scale. The Federation and the ARUC have recently drawn the attention of the Ministry to this delay in setting up the Standing Committee and fixation of grading and time scale and called upon its units to launch an all out campaign on these demands.

The Labour Ministry has now informed the Federation that the question of setting up of the Standing Committee and other demands will be discussed at Dhanbad in the coming meeting of the Industrial Committee. However, here is an issue which, if taken up im-

mediately by all the coal unions, would produce a powerful movement throughout the coal belt.

The other feature of 1958 was the sharp decline of bipartite agreements in the coalfields. While the employers continued to support and strengthen the INTUC or HMS unions in order to prevent the expansion of AIRUC unions, nevertheless, they were not prepared to come to any bipartite agreements with them on any points affecting the award. The result was all unions had to take their cases to the Conciliation Offices, Labour Courts and Tribunals. This is a significant change. Because while after the Mazumdar Award, in 1956, employers rushed to enter into an overall agreement with the INTUC, they refused to do so after the LAT Award, which has completely smashed the claim of the INTUC to represent the majority of coal workers and pose as a sole bargaining agency. However, in matters of referring disputes for adjudication, the Labour Ministry has all along acted most partisanly in favour of the INTUC. While most genuine and bona fide disputes filed by the AIRUC and IMWF unions have been turned down as "not fit for adjudication", minor grievances submitted by the INTUC unions from collieries, where they have negligible membership, have been promptly sent for adjudication.

Thus while the main movement in this period centred round the industrial relations machinery, occasionally backed by *gheraos*, demonstrations, departmental actions and even strikes of short duration, there is also another side.

The workers of the *West Bokaro Colliery*, belonging to the Tatas, in the midst of deep jungle in Hazaribagh district, struck for 93 days demanding implementation of the award with proper modifications in view of the heavy mechanisation of the mine. The Labour Ministry flatly refused to intervene and it was declared illegal. The strike was ultimately called off in February, 1958. Nearly all those who were victimised for leading the strike have been reinstated. Although it was not affiliated either to the AIRUC or IMWF, late Com. Benode Mukherji, organising secretary, IMWF, was the leader of the Action Committee which conducted the strike. Since the withdrawal of the strike, the INTUC has been making determined efforts to build up a union there but so far has failed to recruit members.

Over a dispute of rates of c.p. miners and loaders, the management of the *East Jemehary Colliery* in Ranigunj belt, locked out over 700 workers in June, 1958, in order to crush the AIRUC union. After its reopening, the management insisted that only those who would sign "bonds of good behaviour" would be allowed to resume duty. As the members of the Colliery Mazdoor Sabha refused to sign such bonds, they were dismissed and continuous attempts were made by the management to drive them out of the colliery. The Labour

Ministry first refused to intervene; but when the situation deteriorated, it intervened. However, in spite of the fact that the Dhanbad Tribunal declared it to be an illegal lock-out, the management has not yet taken all the workers back. And unemployed workers, aided by those who have resumed their duties, are still fighting back since the 30th May, 1958—over eight months.

The Assam Coal Mine Workers Union (IMWF) had to call strikes on more than one occasion against arbitrary suspension, dismissal and lay off. There were strikes in *Ledo and Tikok* collieries belonging to the *Assam Railway and Trading Company*, in the first week of March, 1958, against arbitrary stoppage of work, suspension and arrest of leading workers by the police on the basis of complaints by the management. On 4 March 1958, after a mass demonstration by workers of all the five collieries before the Head Office at Margheritta, the management came to an agreement with the ARRUC union and the strike was called off.

Again, the sudden lay off of 480 workers from 15 December 1958, on the ground of non-allocation of coal by the Coal Board compelled the union to launch a strike which completely paralysed the work of four out of five collieries. The strike was called off from the midnight of 16 December, following a settlement with the company which agreed to withdraw the lay off notice till the end of December, when the question will be again reviewed in the light of coal allocation.

*The year 1958 also saw the first serious attempt to lift the iron curtain around the safety problems of miners and other workers working underground.* Employers were put on the defensive by all-out attack from labour for carrying out unlawful and dangerous mining practices jeopardising lives of workers for easy profit.

Faced with a sharp rise in the number of accidents and death, closure of collieries, loss of output and a general demand to enquire into mining operations and safety problems by labour as well as public, the Government changed its earlier policy of 'do nothing' and 'see nothing' and set up a *Steering Committee* to enquire into the safety and allied problems in mines—a demand made again and again by the ARRUC and IMWF since 1954 Amlabad tragedy. And for the first time, trade union representatives were taken on the Committee. A Safety Conference was held in Calcutta in the month of August under the chairmanship of Shri G. L. Nanda where a general discussion on various aspects of mines with a special emphasis on safety took place.

While space would not permit us to discuss it in detail, it should be noted that certain basic demands of unions like right to appoint workmen's inspectors, formation of safety committee, etc.,

were accepted which should be further reviewed in the next safety conference at Dhanbad from 28 January 1959. The ARRUC and IMWF representatives took significant part in shaping the decisions of the conference and submitted a detailed memorandum on all aspects of safety. While the major demand of the Federation for a High Power Safety Commission has not yet been accepted by the Government, some improvement over the existing condition is expected provided the Government accept and act immediately to implement the decisions of the conference.

Besides other reasons stated above, in the background of the Safety Conference and sudden outburst of Government interest in this problem, lay the explosion in the Chinakuri mine, the most modernised colliery belonging to the Andrew Yule & Company, leading to the death of over 200 workers on 19 February 1958, the most tragic accident in the last twenty years. Along with it came Central Bhowrah inundation and outbreak of fires in a number of collieries and closure of a number of big and medium collieries belonging to the Tatas, MacNeill Barry etc., for violations of safety laws. A sense of insecurity prevailed among workers which the government sought to allay by creating the Steering Committee with workers' representatives.

In both the Court of Enquiries, Chinakuri and Central Bhowrah, the ARRUC and IMWF played most important part against the combined opposition of mine owners and the Department of Mines. While it was possible to prove the guilt of the employer of the Central Bhowrah which was accepted by the Court of Enquiry, the Chinakuri became a *cause celebre*. The entire body of British owners along with the powerful Indian Mining Association, the Indian Mine Managers Association took the enquiry as a challenge to the Private Sector and to the "foreign capital" itself. The Mines Department became their active partner. And together they built up a most formidable apparatus both inside and outside the court to put up their case.

Faced with this challenge by the management whose underground organisation even made it difficult for witnesses to come forward to give evidence against the company, the workers' unions instead of coming closer to put up a united fight, drew further apart. The continuous attempt of the Federation and the ARRUC to put the workers' case through one lawyer failed because of the blunt refusal of the other two unions to agree to such a proposal. Both the latter organisations turned down all proposals for unity inside the court. This no doubt affected the worker's case in the court of enquiry which has been adversely commented on by the Judge in his final report. However, the Federation is not prepared to accept the opinion of the court of enquiry as final and would

demand further and deeper probe into the matter in the coming safety conference.

No report on coal mines is complete without a reference to the state of democratic rights and civil liberty. The year 1958 saw a further intensification of attacks on our unions by the police and employers. On a number of occasions armed hoodlums of the INTUC unions assaulted our workers and union leaders. The attacks on the ARRUC unions took the usual pattern of arrest of leading union workers on false charges, refusal to give bail, dismissal for organising ARRUC unions, imposition of section 144, refusal to allow meetings within the colliery area and hold free elections to the works committees.

Moreover, the drive of the INTUC to organise "Shanti Senas" poses a serious threat to the future democratic movement in coal belt where employers and contractors still maintain their own private armies to keep the workers' red flag out of their boundary.

While it would not be possible here to state all cases of organised attacks on our unions, mention of a few cases from each zone would be able to convey an idea of the present situation.

*Ranigunj Belt.* The management of the *East Jemehary Colliery* locked out its colliery from 30 May 1958, in order to smash the ARRUC union and force the workers to join a company union. After its reopening, it engaged armed goondas to evict workers from their quarters and prevent them from holding meetings which was foiled by the resistance of workers. But instead of arresting the outsiders, the Police arrested nearly 30 leading members of the union and imposed section 144 over the entire area. The cases are still continuing.

The police at the instigation of the management of the *New Jemehary Khas Colliery* instituted several false cases against the union leaders but failed to convict them. Then on a charge of assaulting the Manager, police arrested all office bearers and workers of the union in March, 1958, and the case is still continuing.

The MacNeill Barry & Company has instituted several cases to evict leading office bearers of the Colliery Mazdoor Sabha from their quarters and union offices. Similarly, Shri Harnam Singh, President of the Indian Mine Managers Association, and agent of the Bengal Coal Company, has started an open campaign to prevent workers from joining the ARRUC union, which has also been reported to the Ministry.

*Jharia Belt:* The situation in Jharia which improved to a certain extent in 1957 again received a setback in 1958. In early July, 1958, the police intervened to assist the management of the *Select Jharia Colliery* to prevent the workers from joining the ARRUC union.

When the attempt of the company to take the union office by force was resisted by workers, the police resorted to lathi charge and assaulted the workers in their quarters. Important leaders of the Bihar Koyla Mazdur Sabha were arrested, including some who actually went to the police to lodge complaints.

*Hazaribagh Belt:* The private employers of the Karanpura belt with the active help of the local police have been trying to prevent the expansion of the AIRUC union in this region where majority of workers are still unorganised.

The management of the *Manki Colliery* engaged both the police and armed gangsters to evict over 100 workers who dared to hold a meeting to organise AIRUC union in last October.

In the collieries of the National Coal Development Corporation, the Coal Workers Union with the largest membership is still not recognised. Moreover, authorities are postponing elections to the Works Committees because of the fear of victory of the AIRUC candidates. In the elections to the works committee of the Serampore colliery, Giridih, which were postponed 9 times in 1957 for the above reason, the INTUC union which was allowed to contest in 1958 in spite of its failure to submit a list of membership, failed miserably and all the seats were captured by the AIRUC nominees. The result was: *the election was set aside*. Similarly, the manager of the *Jarangdih Colliery*, refused to announce the results of the election to the Works Committee when it was learnt that the AIRUC union has captured a majority of seats.

*Singareni Collieries:* Failing to get support from workers of the Singareni collieries, the local INTUC resorted to strong arm method. On 7 October 1958 two leaders of the Singareni Collieries Workers Union were assaulted by INTUC elements who created a state of tension in the area. A large number of workers of the AIRUC union was arrested by the police and section 144 was imposed.

Moreover, in an all-out drive to prevent the further decline of the INTUC influence in the coal belts, the Labour Ministry promptly intervenes to settle its disputes either by adjudication or otherwise, while cases of our unions remain ignored. On a number of committees like the CRO Committee, West Bengal Mining Advisory Committee, etc., the Government has persistently refused to appoint AIRUC representatives.

However, in spite of all these attacks and discrimination, the year 1958 has seen a further expansion and consolidation of the AIRUC unions and a remarkable increase in AIRUC and Federation's influence throughout the coal belt.

While the problem of united action has not become in any way

easier, it should be noted that both the Indian Mine Workers Federation and the Indian National Mine Workers Federation have come out with more or less similar demands. The conferences of the IMWF at Bhurkunda and INMWF at Dhanbad have raised the slogans of: Nationalisation of Mines, Wage Board for Coal Industry, Abolition of Contract labour; Gratuity and change in the present Bonus Act.

And it is expected that unless the employers and the Government agree to revise the wage structure of all coal workers, a mighty struggle will break out in the middle of 1959.

The first half of 1959 is a period of preparation for that.

*Dhanbad, 6 January 1959.*

### APPENDIX III

## STRUGGLE DIARY 1958

[Much of the information herein is collated from newspapers and letters of trade unions. The diary is not exhaustive and some struggles are likely to have escaped record.]

The strike of over 2000 workers of *West Bokaro colliery, Ghatotand*, which began on November 12, 1957, continued in January. The strike was withdrawn on February 15. The miners demanded implementation of the *LAR Award* in respect of grading, standardisation, equal wages for men and women, reinstatement of victimised workers, etc.

On *January 2, 1958*, *post and telegraph* workers all over India refused to accept their pay as a protest against the grant of inadequate amount as interim relief, as directed by the National Federation of Post & Telegraph Employees.

On *January 4*, nearly 1300 workers of *Basin Bridge Power House, Madras*, held a demonstration urging settlement of their longstanding demands. The labour Commissioner intervened and assured that conciliation proceedings would start immediately and wages for the duration of the demonstration would not be cut.

On *January 16*, nearly 12,000 *Calcutta dock workers* struck work demanding relief in face of soaring food prices. The workers continued the strike till *January 23*, when it was called off following a settlement.

In *Punjab*, nearly 13,000 *revenue patwaries* who went on strike

from December 12 in support of their demand for additional allowances for land reform and land consolidation work, continued their strike and by January 20, about 3,900 *patwaris* courted arrest. The strike was called off on April 10, on the advice of the Prime Minister.

On January 30, about 4,000 workers engaged in construction work at *Rourkela* struck work demanding abolition of "sub-contractors", housing for all workers, payment of overtime, paid holidays, etc. The strike continued till February 10.

The struggle of *Modinagar textile workers* against the lock-out declared by the employers which began in October continued for over 2½ months. The agitation was called off on January 11, when the employers agreed to have a negotiated settlement.

The strike of 4,000 workers of *India Security Press, Nasik*, which began on December 15, continued till January 14. The strike was called off on the assurance given by the Chief Minister of Bombay that the main demand of the workers for 44 hour week would be favourably considered and other demands would form subject of negotiations between management and workers.

The *Cochin Port Employees Union* launched a satyagraha from January 30, demanding implementation of Choudhuri Commission's recommendations and urging abolition of disparities in service conditions. The satyagraha was withdrawn in the third week of April, prior to commencement of negotiations for settlement.

The strike in *Kapila Textile Mills Ltd., Nanjangud (Mysore)* which commenced towards the end of 1957, continued till March 1958. Total mandays lost were 1,28,078.

The struggle of *Howrah Cotton Mill Workers, Howrah*, which began on December 10, 1957 continued till February 1958. The strike followed suspension of four workers by the management. On December 21, the management declared a lock-out. The lock-out was lifted in February. Mandays lost totalled 35,400.

850 workers of *Raigarh Jute Mills, Raigarh (M.P.)* began their strike on January 24, protesting against victimisation of a union activist. The strike continued till March 24, 1958, involving a time loss of 40,800 mandays.

On February 2, workers of *Chocs Canning Co., Bombay*, began their 12-day strike, against retrenchment and demanding interim relief. The strike was called off when the management agreed to concede the major demands of the workers.

On February 9, more than 1,200 *textile workers of Akola* observed a 'Protest Day', against the proposed cut in the D.A. Textile

workers in Achalpur also observed the Protest Day.

On *February 16*, at Jamshedpur, Burnpur and Kulti, *steel workers* held mass demonstrations demanding a Wage Board or Tribunal for the iron and steel industry. The call for demonstrations was given by the Jamshedpur Mazdoor Union and the United Iron & Steel Workers' Union, Burnpur-Kulti.

15,000 workers employed by contractors in the steel city of *Burnpur* went on a general strike from *February 24*, for realisation of their demand for wage-increases. The strike continued till *March 21*. About 700 workers were arrested by the police in the course of the strike and Sec. 144 was promulgated in the area. On the assurance of the Chief Minister of W. Bengal that wage increases would be granted by the contractors, the strike was called off.

On *February 26*, crews of about 1,500 launches of Hooghly were involved in a 30 hour strike. The workers demanded redressal of their grievances.

The strike of 650 employees of *Bokaro Thermal power station* which began on *January 12*, continued till *February 23*. The workers demanded action on their 20-point charter of demands. On *January 21*, employees of the Damodar Valley Corporation in Calcutta and Howrah observed a one-day token strike in sympathy with the Bokaro workers. The strike was withdrawn unconditionally on *February 23*.

From *February 7 to 11*, nearly 1,300 workers of the *Delhi State Electricity Board* struck work demanding recognition of the union and reinstatement of victimised workers. Four workers went on hunger strike during the period of the strike. Following assurances from the Union Minister for Irrigation and Power, the strike was withdrawn on *February 11*.

On *February 23*, about 800 workers in the rail-coach section of the *Hindustan Aircraft Factory, Bangalore*, resorted to a stay-in-strike, as a protest against the arrest of five of their colleagues and demanded reinstatement of 15 workers dismissed earlier. The management declared a lock-out. On *February 25*, workers from other sections also joined the strike. The police fired on demonstrating workers on *February 25*, in which one worker was killed and some others injured. The lock-out was lifted on *March 11*. The major demands of the workers were conceded by the middle of the year.

On *February 27*, more than 25,000 workers employed under the Port Commissioners, *Calcutta Port*, struck work for one day, demanding implementation of the Choudhury Commission's report.

The strike of Hooghly *Jute Mill workers in Calcutta* which be-

gan on February 1, against victimisation of workers, was followed by a lock-out by the employers the same day. The lock-out was lifted only in March, causing a total time loss of 83,700 mandays.

5,600 workers of Khardah Jute Mills, Khardah, 24 Parganas struck work on *March 8* protesting against victimisation of three workers. The management declared a lock-out, which was lifted on *March 16*, following conciliation.

On *March 11*, *Central Government employees* all over India held protest meetings declaring unanimously against the amendments to Service Conduct rules and inadequate interim relief. In the campaign, the employees collected five lakh signatures on their memorandum of demands. Among those who called for the protest campaign were the Confederation of Central Government Employees, National Federation of P&T Employees, Civil Aviation Department Employees Union, CPWD Workers Union, All-India Defence Employees Federation and other unions of the Central Government employees.

On *March 11*, eleven hundred *smelting shop workers* of the Indian Iron & Steel Co., Burnpur, struck work in protest against reduction in production bonus. The strike was called off on *March 13*, when the management agreed to give 130 per cent production bonus.

On *March 13*, two thousand workers of Cementation Patel, Burdwan, struck work demanding fixation of pay scales, overtime and better service conditions. The strike was called off on *March 30*, through conciliation.

Employees of the *Central Tractor Organisation*, Government of India, began their strike on *March 17*, demanding a National Tribunal or impartial arbitrator for adjudicating their demands, specially on the question of compulsory departmental leave. The strike began in Bihar and soon spread to all other centres in India. The strike continued for about a month and ended in the last week of April, when an Inter-Ministerial Committee was appointed to go into the question of workload and departmental leave. Besides, the Government had to give assurance that no workers will be victimised for participating in the strike and the strike period will be adjusted against casual leave.

On *March 19*, four thousand workers of Murli Quarry, Rohtas, Dalmianagar, struck work over non-payment of wages and other demands. The strike continued till *March 25*, when it was called off through conciliation by the Regional Labour Commissioner.

On March 20, more than 5,000 workers from 25 factories in Calcutta held demonstrations under the leadership of the W. Bengal Committee of the AIRUC, against the bureaucratic, corrupt and defective working of the ESI Scheme.

Over 2,500 workers of Indian Standard Wagon Company, *Burnpur*, went on a "tools-down" strike on March 21, in protest against the negligence on the part of the management in supplying an ambulance car for the timely removal of one worker who fell victim to an accident. The worker died on March 20.

On March 21, over 900 workers of a jute mill in *Baranagore*, W. Bengal, went on strike protesting against increased workload.

On March 21, about 500 workers of the Bengal Chemical and Pharmaceutical Works, Calcutta, demonstrated in front of the head office of the concern, against the lock-out declared by the management, which had been continuing for several weeks.

On March 27, millions of workers observed DEMANDS DAY throughout the country. Big rallies were organised in all the principal industrial centres. The bulk of the organised workers in India endorsed the Charter of Fourteen Demands, formulated at a joint meeting of AIRUC, HMS, UTUC and trade federations like the AIRF, NFPT, ABEA, AIDF, etc. The demands included 25% wage increase in organised industries, appointment of Wage Boards, trade union rights etc. On April 1, a delegation representing the three central TU organisations—AIRUC, HMS and UTUC met the Prime Minister and presented the Charter of Demands.

400 Agrico Department workers of the TISCO, Jamshedpur, struck work on March 29, in protest against the indefinite suspension of a worker by the management.

On March 31, Com. Prakash Roy, General Secretary, Lal Zhandā Bidi Mazdoor Sabha went on a hunger strike in protest against the threatened victimisation of *bidi workers in Rajnandgaon*. On April 6, about 400 workers, majority of whom were women, observed one-day mass hunger strike in front of the factory gate. On April 7, an agreement was reached and the hunger strike was withdrawn.

On April 5, workers of *Tatanagar Foundry Co. Ltd., Jamshedpur*, numbering 2,700, struck work in protest against discharge of eleven workers and suspension of one. The management declared a lock-out, which was lifted only in August. The total time loss because of the lock-out was 3,26,700 mandays.

On April 7, 6,500 workers of *Chambal Dam Project, Chambal* struck work as a protest against non-payment of their dues. The

strike was called off on April 17, by direct negotiations.

On April 7 and upto April 18, 968 workers in the *railway division of the Bhilai Steel Project*, Bhilai, M.P., struck work demanding increment of Rs. 5 in D.A. in line with the interim relief granted by the Central Pay Commission, reinstatement of victimised workers, etc. After the project authorities agreed to refer the demand for wage increase to the Union Government and to provide sanitation and medical facilities, the strike was called off on April 18.

Nearly 10,000 class IV workers of the *Government hospitals in W. Bengal* observed a one-day token strike on April 9, in sympathy with the 45 hunger-striking hospital employees. The hunger strike began on April 6. The demands were increase in wages and better service conditions. The hunger strike was withdrawn following a settlement reached at the intervention of the Chief Minister of W. Bengal. According to the settlement, an unskilled worker was given an ad interim increase of Rs. 3 per month and Rs. 5 for skilled workers.

On April 12, over five thousand workers of the *Premier Automobiles, Bombay*, began their general strike which lasted for 101 days. The strike arose out of the withdrawal of the recognition of the union by the management. A leader of the union was murdered in broad daylight by goonda elements. Powerful support for the strike was expressed by the working class of Bombay when more than five lakhs downed tools on July 25 in a token general strike against the anti-labour policy of the Bombay Labour Minister. The strike was called off on July 29 following a settlement between the management and the union.

Employees of the *Indian Bank, Ltd.* throughout the country were on strike from April 15 to 17, to press their demand for bonus for the years 1956-57. About 2,000 employees in over 120 branches of the Bank were involved in the strike. The strike was called off on April 17 following a settlement.

4,500 workers of the four *oil companies* in and around *Calcutta* went on a lightning token strike on April 19, as a protest against the retrenchment orders served on some employees. Stay-in-strike was launched at various depots. On April 29, more than 600 clerical employees demonstrated before the residence of the Labour Minister, W. Bengal. Following threat of a general strike served by the union, the company agreed to withdraw the retrenchment orders.

Over 700 workers of the *Shahadra-saharanpur Light Railway* struck work from April 21, protesting against retrenchment.

On May 7, 1958, workers of Kolar Gold Mining Undertakings (in the Nundydroog Mine) struck work protesting against dismissal of one worker. The strike continued till May 23, causing a total time loss of 55,110 mandays.

On May 12, more than thirty thousand workers of *Tata Iron and Steel Co., Jamshedpur*, went on a token protest strike, in response to the call of the Jamshedpur Mazdoor Union. The main demands of the workers were increase in D.A. to offset steep rise in living costs, recognition of the Jamshedpur Mazdoor Union and a Wage Board or Tribunal to fix fair wages in the iron and steel industry. Synchronising with the strike notice served by the Jamshedpur Mazdoor Union, in Burnpur also, the United Iron & Steel Workers Union served a notice for one day strike. In Burnpur, the management of the *ISCO* announced an increase of Rs. 10 in D.A. and revision in production bonus, following the strike notice and the strike was therefore not called by the union.

The May 12 strike in Jamshedpur was declared illegal by the Bihar Government. Several arrests were made and Section 144 was promulgated. Ninetysix leading workers were arrested, forty of them were charge-sheeted and all of them were suspended after release. As a protest against this victimisation, workers went on sit-down strike on May 15.

The Bihar State Government called in the Army to "keep law and order".

On May 14, more than ten thousand *tramway workers of Calcutta* went on a one-day token strike in support of their demands for implementation of awards of all the previous tribunals, settlement of economic demands, interim cash D.A., etc. A United Action Committee comprising of representatives of four unions (AITUC, HMS, INTUC and Independent) was formed to launch a general strike, if the demands were not conceded by the management.

On May 20, police fired on peaceful workers in which two were killed and fourteen injured.

On May 28, the *ISCO* management announced in a statement that the Company did not contemplate retrenchment. The statement said that on the question of charge-sheets and suspension orders issued on about 400 employees, a decision would be taken only after proper inquiry. In view of these developments, the Jamshedpur Mazdoor Union advised the workers to go back to work on May 29.

On May 30, 1958 nearly 2,000 workers paraded the streets of Amritsar, demanding the extension of medical benefits to the fami-

lies of workers covered by the Employees State Insurance Scheme.

On June 5, more than 700 employees of the *Postmaster-General's office*, G.P.O. and R.M.S. in Lucknow, began a novel protest action by staying away from duty on medical leave and casual leave. The employees were protesting against moving of certain offices to unhygienic buildings. The 'sickness strike' was called off on June 12.

On June 7, 1958, Life Insurance Corporation employees all over India observed "All-India Bonus Demand Day".

About 300 foremen and chagemen employed by stevedors in *Bombay Port* struck work on June 8, demanding increase in wages. The strike was called off on June 12, following a negotiated interim settlement.

On June 9, over 14,000 workers in the Bunningham and Carnatic Mills, Madras, resorted to a one-day sit down strike, to press their demands for increased bonus and better service conditions. On the next day, the management declared a lock-out. The mills remained closed till June 30, when a settlement was arrived at.

About 400 *oil pipeline workers* employed by the Bombay Port Trust at the Butcher Island struck work on June 12, demanding immediate payment of arrears of D.A. The strike was called off on June 13, following a settlement.

From June 14 to 22, nearly thirtythousand workers of *Bombay Municipal Corporation* went on a general strike demanding increase of Rs. 5 in D.A. The strike was called off on June 22, following a settlement according to which the Samiti Bloc in the Corporation which is the majority Party there agreed to recommend increase in wages on sliding scale.

Nearly 300 workers of the Indian Turpentine and Rosin Factory, *Bareilly*, marched 63 miles to Nainital on June 28, to present their demand for reference of their dispute to arbitration or adjudication. The workers were on strike from June 14. On July 2, following a settlement, the strike was called off.

On June 14, 500 sweepers and other menial staff of the *Ujjain Municipal Board* struck work, demanding increase in D.A., house-rent allowance and construction of bathrooms in workers' quarters.

On the *midnight of June 15*, more than one and a half lakhs of *port and dock workers* went on a general strike, at the call of the All India Port and Dock Workers' Federation. On June 16, police fired on port and dock workers of Madras in which six persons including a 14-year-old boy were killed. Twelve workers received serious injuries and several others were hurt when the police lathi-

charged before the firing. There was a *complete hartal in Madras on June 18*, as a protest against the police firing. On June 21, when the dead bodies of the victims of firing were handed over after inquest, 40,000 people marched along a ten-mile route to the cremation ground. Thousands of people lined the streets to pay respect to the martyrs.

During the strike which lasted ten days, Government called in the Army to run the Bombay docks and break the strike, sponsored recruitment of blacklegs through employment exchanges and resorted to repressive measures. The strike was called off on June 25, following an assurance by the Prime Minister that he would take "personal responsibility" to see that the legitimate demands of the workers were met.

On June 23, nearly 200 workers of Uma Shankar Oil Mills, Allahabad, struck work demanding reinstatement of retrenched workers, bonus, etc. The strike was called off on June 25, following a settlement.

On July 1, about 1,750 workers of *Cambodia Milis Ltd.*, Coimbatore began a General Strike, against the retrenchment of 248 badli workers. The strike continued for the subsequent three months.

Nearly 2,000 workers of *Kundah Project* went on a token strike on July 3, demanding improvement in service conditions.

From July 4, in Calcutta, batches of *insurance employees* went on hunger strike demanding immediate settlement of the demands of salaried field workers. Demonstrations were held by insurance workers and on July 18, the entire salaried staff of the Life Insurance Corporation in Calcutta observed a token fast.

On July 11, more than seven thousand workers in *textile mills, engineering plants and printing presses* struck work in Coimbatore, protesting against non-implementation of awards and agreements by the employers.

On July 14, over thousand workers of the *manganese mines* in the State of Madhya Pradesh, demonstrated before the office of the Collector of Balaghat, protesting against the closure and retrenchment notices in manganese mines. The demonstrators included 300 women.

Miners from Swang, Jarangdih, Bermo and Kargali *collieries* on July 21 marched to the office of the Superintendent, National Coal Development Corporation at Bermo and demonstrated against non-

payment of arrears of D.A. and the stoppage of increments. Hundreds of women workers took part in the demonstration.

On July 21, about 67,000 workers of various cotton textile mills of Ahmedabad observed a protest strike against the award of the Industrial Court, Bombay, which increased their workload without proportionate increase in their wages.

On July 25, life in Bombay came to a standstill when more than five lakhs of workers observed a token general strike, at the call of the United Action Committee of Trade Unions. It was a massive demonstration of the workers of Bombay against the anti-labour policy of the Government, in support of the struggle of Premier Automobile workers and to halt the ruthless offensive of closure of mills by the employers, in the textile industry. Workers in all trades and services joined the strike. Workers in port and dock, bus and tram services, oil refineries, railway workshops, employees in banks, insurance and other commercial offices joined the massive protest action and all shops and hotels in working class areas remained closed for the day. Huge processions were taken out from different parts of Bombay City and a mammoth rally was held at the Oval Grounds opposite the Bombay Government secretariat. A deputation of workers' leaders met the Chief Minister of Bombay who assured the deputation that Bombay Government would adhere to the decisions of the Nainital Tripartite Conference.

The workers of "The Hindu" press in Madras went on strike from July 30, as a protest against the victimisation of the Vice President of the Union. The strike led to the complete stoppage of the publication of the Daily, "The Hindu". On July 31, police resorted to a lathi-charge in which eight workers were seriously injured. Several arrests were also made.

From August 3, textile workers of Akola observed an "Anti-Closure Week". Workers belonging to all the unions participated in the processions and demonstrations. Due to the united action of the textile workers throughout Vidarbha, the Government had to intervene and the threatened closure of 11 mills was averted.

From August 11 onwards began the general strike of Calcutta tramwaymen, which continued for 42 days. The workers demanded implementation of tribunal awards on previous disputes, revision of service rules, payment of gratuity, interim cash relief, etc. The strike was led unitedly by all four unions working among tramwaymen affiliated to the ATUC, HMS, INTUC and one independent union. As a result of the united action of the tramway workers, the British-owned company had to accept the major demands of the workers

regarding sickness benefits, service conditions, gratuity and bonus. Other demands were referred to a court of inquiry set up by the W. Bengal Government.

On August 13, the workers of the *Kaleeswarar Mills, Coimbatore* went on a stay-in-strike, protesting against the decision of the management to close the mills forthwith. They guarded the godowns and prevented the bales of yarn and cloth from being removed from the mills. Women workers were in the forefront of the struggle. On August 19, the workers launched satyagraha to press for their demands, which continued till August 22, when the Madras High Court directed the Council of Administrators to take over and run the mills. But interested parties continued to delay the reopening of the mills and hence on September 15, satyagraha was launched by the workers. The satyagraha in which nearly four hundred workers courted arrest was finally called off on October 6, when the Government assured that the mills would be taken over and run under the control of the government.

On August 27, over 4,000 workers employed in the *Machkund Project* began their strike demanding implementation of retrenchment compensation and other benefits awarded by the Industrial Tribunal.

On August 29, nearly a thousand textile workers, including 200 women, demonstrated in front of the *O.C.M. Mills, Chheharta*, in support of their demand for bonus and as a token of sympathy with the hunger-strike by a worker of the mill.

On September 2, about one thousand workers of the *general casting shop* in the Indian Iron & Steel Company's factory at *Kulti* went on sit-down strike as a protest against reduction in their production bonus.

In Kanpur, on September 3 and onwards, employees of the *Punjab National Bank* were on strike. The employees were protesting against arbitrary promotions. The strike was called off on September 7, following a settlement.

From 7th September, at *Kanpur*, three leaders of the *Suti Mill Mazdoor Sabha* went on a 21-day hunger strike. The SMMS which launched the hunger strike was protesting against the continued closure of leading textile mills in Kanpur, rendering nearly 10,000 unemployed for many months. The hunger strike was withdrawn on September 21, when a committee was appointed to inquire into the conditions of *Atherton West Mills* and when the Commerce & Industry Minister assured that a solution for the crisis in Kanpur textiles is being tried by Government.

Nearly 1,200 workers of the *Hutti Gold Mines* (Mysore State) began a general strike from *September 8*, to press their demand for increase in D.A. and for restoration of the recognition of the Union. A settlement was arrived at after the 34 day strike.

From *September 11*, five hundred workers of *Seetharama Mica Mine* at Kalichedu, Andhra, went on strike for better service conditions. The strike was called off on *October 4*, following a settlement.

As a protest against the arrest of their hunger-striking leaders, the workers of *Beawar Textile Mills* observed a complete strike on *September 11*. The hunger strike was in protest against mass retrenchment in the local textile mills, and was called off on *September 21*, following a settlement between the millowners and the union.

On *September 12*, police fired on demonstrating workers of the *Aarey Milk Colony, Bombay*, who were protesting against retrenchment and for improved working conditions. Nine workers received injuries. After an inquiry was instituted, the workers resumed duty.

On *September 15*, over three lakhs of plantation workers in *Duars, Darjeeling and Terai regions of W. Bengal* observed a token general strike. The strike which was called unitedly by unions affiliated to AITUC, INTUC, HMS, UTUC and independent unions, was one of the biggest ever in recent years in its sweep and momentum in the context of the unity achieved in action. The demands pressed forward were increased minimum wages, bonus and filling up of vacancies to prevent employment shrinkage, among others.

From *September 17 to 23*, workers of the *Jamehary colliery* went on strike protesting against non-payment of wages decided upon by the Labour Appellate Tribunal. The management appealed to the Industrial Tribunal to declare the strike illegal but the appeal was dismissed and the management had to pay the wages decided upon by the LAT.

Demanding reinstatement of the General Secretary of the Union, workers of the *Atlas Cycle Industries* at *Sonepat* held mass demonstrations and the Vice President of the Union went on a hunger strike on *September 26*.

More than 3,000 workers of *Jaipur* held mass demonstrations on *September 30*, demanding cheap grain shops, in view of the soaring food prices.

From *October 1* onwards, workers of the *Jamsar Gypsum mines*, near *Bikaner* (Rajasthan) went on a general strike, demanding improvement in working conditions, and for referring their dispute to

adjudication. All leading office-bearers of the union were arrested by the police and picketing workers were deported to jungle areas 40 miles away from the mines.

On October 2, General Secretary of the *Southern Railway Labour Union*, Com. K. A. Nambiar, began a hunger strike, to press for the 11-point demands of the Union. The demands included recognition of the union. Processions were organised every day of the hunger strike and besides railway workers, other trade unions in Madras City organised powerful fraternal support. The hunger strike was withdrawn on October 11.

On October 4, began the general strike of over 60,000 workers in British-owned Devicolom and Peermade plantations in Kerala. Demands of the workers included increase in bonus, holidays, supply of rice at fair prices and implementation of previous agreements. The strike was jointly launched by INTUC and AIRUC unions but later the INTUC union withdrew from the struggle, demanding compulsory adjudication. On October 20, police resorted to firing in which two workers were killed. On October 25, plantation workers in the whole of Kerala responded to the call for a token general strike, made by AIRUC, INTUC and URUC unions, demanding a speedy settlement of the pending issues by the plantation owners.

On October 8, workers of the textile mills in Delhi, went on a protest strike to demonstrate against the repressive, anti-labour and anti-union policies of the management. The strike which took place spontaneously followed the charge-sheeting and suspension of three union leaders.

On October 20, nearly six thousand workers of *Kesoram Cotton Mills, Calcutta*, marched seven miles from Matiaburz, the mill area, to Ballygunj, residence of the Birlas who are the managing agents of the mill. The workers were protesting against the management's anti-labour practices, violation of the Code of Discipline in Industry.

On October 24, Vice-President of the Garden Reach Textile Workers' Union went on a hunger-strike which continued till November 7. The hunger strike was withdrawn on the assurance of the State Labour Minister to consider the grievances of the workers.

On October 29, president of *Air Corporation Employees Union*, resorted to a hunger strike in front of Vigyan Bhawan, Delhi, to press for the union's demands. Among others, the demands related to recognition of the union, reinstatement of victimised employees, revision of pay-scale, gratuity, etc. The hunger strike was withdrawn on October 30, following assurances by the General Manager of the Air-India.

From November 4 to 15, employees of Gandhinagar branch of the Punjab National Bank, Kanpur went on strike, protesting against arbitrary steps taken by management on promotion of staff. Employees of the other four branches of the Bank in Kanpur observed sympathy strike for two hours on November 12. A settlement was arrived at on November 15.

Nearly three thousand *petroleum workers of Bombay* demonstrated before the office of the Conciliation Officer on November 25, demanding that no agreement should be concluded in the industry behind the back of the majority of the workers. They demanded the constitution of a National Tribunal to adjudicate the demands of oil workers.

On December 1, employees of the Simla Municipal Board went on a strike, demanding compensatory allowance, merger of 50% of D.A. with pay, etc. The strike continued for 18 days. The major demands of the employees were conceded by the Board.

On December 5, nearly 36,000 employees of *Government audit offices* throughout India observed mass fasting, as a protest against the victimisation of the Secretary-General of the All-India Non-Gazetted Audit and Accounts Association. The mass fasting was part of the programme of "Anti Victimisation Week" observed by all audit employees throughout the country from December 1 to 6.

On December 15, dock workers of Calcutta went on a four-hour token strike in support of their demand for withdrawal of the "illegal pasting of new numbers on registered dockers' identity cards" and payment of wrongfully deducted minimum gratuity and attendance money for the month of November. Over 20,000 workers were involved in the strike.

On December 17, about 1,500 workers employed by the *Bombay Port Trust Railway* went on a lightning strike, paralysing the movement of cargo by rail. The workers struck to press for their demand for the immediate implementation of the terms of settlement which had already been arrived at between the workers and the Port Trust authorities.

#### APPENDIX IV

### THE "CONSPIRACY" CASE IN JAMSHEDPUR

In connection with the strike in TISCO Works, Jamshedpur, in May, 1958, the Bihar Government has implicated a large number of the leaders and activists of the Jamshedpur Mazdoor Union in a 'conspiracy' case. We are giving below extracts from the Charge-sheet dated August 5, 1958, prepared by the Police.

*"Reports were received about the activities of CPI-cum-JMU leaders that they were bent upon to take law in their hands resulting into breach of peace who were not only violating orders u/s 144 CR. P.C. but were preaching for violence and declaring their fight was with the Government. (emphasis added)* As a result of the declaration in the public meeting on 20.5.58 at about 7 A.M. at Sarkar Building (office of JMU), acts of violence including Arson were committed immediately after the meeting at Mahulbera gate and General Office TISCO. It was considered expedient in this view of the matter to arrest Shri Kedar Das, Ali Amzad, Barin De and others who were not only instigating illegal strike but fomenting violence, in the interest of maintenance of peace and order and to search for the recovery of documents, etc.

"A police party consisting of police officers, men and magistrates went for the above purpose on 20.5.58 at about 5.45 P.M. The search was conducted and certain documents and articles were seized. 4 persons including one of the leaders, Ali Amzad, were also arrested. While the police party was about to leave with the arrested persons they were besieged by a crowd and a lot of people stood in front of

the van demanding release of Ali Amzad. The D.C. also arrived and further reinforcements were called. The D.C. and other officers explained the character of the assembly and persuaded them to disperse but to no avail. The D.C. had to declare the assembly to be unlawful and command them to disperse but of no avail. The crowd was adamant and it came closer and closer getting violent, started throwing brickbats, stones, bottles, etc. Tear gas shells had to be fired and lathi was charged to disperse them by force. The mob got more violent and started showering brickbats, stones, bottles from the top of the building and also from the mob causing injuries to about 100 officials and rushed towards the force. Officers and men were practically overwhelmed and there was danger of arms and ammunitions being snatched away and so the firing had to be resorted to as the only way out, at about 9.30 P.M. In all 32 rounds were fired and the mob dispersed finally at about 10 P.M. A case U/s 147|341|337|338|332 I.P.C. was registered the same night on the report of the S.D.O.

“During the course of investigation it was ascertained that gun was carried and also fired from the Sarkar Building (CPI-cum-JMU office) causing pellet injuries. Farsa was also used and attacked with it on the police personnel cutting the lathi in two pieces while warding it off. Attempts were also made to set fire in the petrol pump nearabout the place where the police personnel were and also the police vehicles (Land Rover).

“The inspection of the P.O. depicted a ghastly look with huge stones, brickbats, glass pieces, drums rolled on the roads and roads blocked giving a look of complete lawlessness.

“A .12 bore live cartridge was also found at the P.O. Burnt marks were noticed in the dial of the petrol pump which contained heavy quantity of petrol.

“During the course of investigation, it was also ascertained that the meeting was addressed in Sarkar Building on 21.5.58 by Shri Kedar Das and others in which it was said that their fight was directly with the Government and that there was no way out to get their demands than to resort to arson, loot of Govt. and TISCO properties and assault on Govt. and police personnels, dalals of the factory, TISCO High Officials to paralyse the Govt. and while appreciating the burning of Rajya Transport buses ordered people to follow suit by burning post offices, loot of Bank, burn TISCO property and to make forcible possession of the union, etc. The people came out in an excited mood from the meeting and assaulted police personnel, burnt post office, TISCO property, Congress office, etc. and created lawlessness in the direction of paralysing the Government.

“During the course of investigation it was traced that secret meetings of the comrades and selected committee members (small

committee) were held in the 2nd week and 3rd week of February in which it was discussed and agreed upon to overawe the Govt. by paralysing it, creating chaos and disorder and failure of the 5 years plan to achieve their object. (emphasis added)

"For this end in view, different leaders and workers acted to achieve the plan as agreed upon by taking recourse to violence and even attempting to sabotage theISCO factories. Different accused persons had also spoken in public meetings and leaflets were even distributed.

"As on investigation a case of conspiracy was established by circumstantial evidence of overt acts (as a result of the conspiracy) and oral evidence and a prima facie case of conspiracy has been made out and so I submit c.s. against all the 38 persons mentioned in Col. 3 and the 9 absconders shown in Col. 2 under Section 147|148|149|341|337|338|307|436|380| 435|332|379|120-B I.P.C. as the accused persons charge-sheeted were cited in agreement of the conspiracy or have done certain overt acts in pursuance of the conspiracy."

(emphasis added).

APPENDIX V

**ON AUTOMATIC LOOMS**

A conference to consider government proposals for introduction of automatic looms in the textile industry was convened by the Government of India on December 22, 1958 at New Delhi. An invitation to participate in this meeting was sent to Comrade S. A. Dange, M.P., General Secretary, AITUC. Comrade Dange could not participate in the meeting since the date was not suitable to him. He, however, sent a note for consideration of the conference. We are publishing below the texts of (i) Com. Dange's letter to the Labour Minister in reply to the invitation, (ii) AITUC's note regarding the programme for installing automatic looms, (iii) the Labour Minister's reply to Com. Dange, and (iv) the main conclusions of the conference.

I

COPY OF LETTER NO. 172-B|58 DATED DECEMBER 21, 1958 FROM SHRI S. A. DANGE, M.P., GENERAL SECRETARY, AITUC., TO SHRI GULZARILAL NANDA, MINISTER FOR LABOUR & EMPLOYMENT, GOVT. OF INDIA, NEW DELHI.

I was not in Delhi when your Ministry's letter (D.O.No E & P. 11(6)|58 dated December 8, 1958 from Shri B. N. Datar) calling for the conference for consultation on automatic looms on 22nd December reached my office. My Secretary replied to you that the date may not be suitable to me. I regret that it is so. I shall, therefore, not be able to be present in the Conference.

I am however submitting to you my proposals in the accompanying note. If those proposals are not found acceptable, the AIRUC should be taken as not having agreed to the introduction of automatic looms as envisaged by the Government and the employers.

In order to make it convenient for you to circulate my proposals to the Conference, I am enclosing 25 copies of my note.

## II

### S. A. DANCE'S NOTE RE. THE PROGRAMME OF INTRODUCING AUTOMATIC LOOMS

A section of the textile millowners in India have been pressing for a long time for Government help in the import and installation of automatic looms on a large scale. The grim results in relation to labour of large-scale introduction of automatic looms came out, when the Kanungo Committee discussed the proposal.

During all these years, the textile millowners have been carrying out rationalisation, sometimes with the consent of unions who would agree to it, but mostly without such consent. The subject became very hot two years ago and had to be discussed in the 15th Indian Labour Conference which was held in Delhi in June 1957.

Now, once again, the specific proposal for installing automatic looms has been brought forward as being an urgent national necessity.

The Government of India endorses and patronises the proposal on the ground that export of cloth has to be increased to earn foreign exchange and that such export can be stimulated only if cloth on automatic looms is produced in India.

The Millowners seem to have convinced the Government of India on this score. The agreement between the Government of India and the millowners was very much visible during the debate in the Parliament on December 3 and 4, 1958, on the question of exports.

The AIRUC has made its standpoint clear during the debate and before. We do not object to technical improvements as such. But when these would mean retrenchment, unemployment and increase in workload, the AIRUC cannot endorse them just on the ground that they are necessary for other reasons.

It is pointed out to us that the effects of the introduction of automatic looms on the workers can be discussed and controlled in terms of the Delhi Convention on rationalisation, agreed to by all.

In this connection, the AIRUC has to point out that rationalisation

has been carried out by the millowners without reference to the Arruc in many centres and hence it is not responsible for them.

Secondly, the Ministry of Labour & Employment, Government of India, have informed the Arruc [*vide* letter No. E&I-34(13)58 dated 1st July 1958] that the Delhi agreement is not an agreement but only a recommendation—thereby meaning that any employer is at liberty to go his own way, if he so chooses. This reply was given to us when we pointed out cases of retrenchment and unemployment resulting from rationalisation. In view of this, the Delhi Convention has not become an instrument of protection to the workers as was expected. Unless the Delhi Convention takes the form of a *national* agreement valid as between all employers and unions, whether recognised or not, it will not prove useful.

As regards the present proposal, the Arruc submits the following for the consideration of the Government and the Conference.

The Government is endorsing the textile millowners' demand for automatic looms *only* for exports and for foreign exchange. They put it forward as a national necessity.

So we propose that Government itself undertake to instal units of automatic looms and organise production and export in the state sector, so as to earn foreign exchange directly on its own account. The Government has enough agencies through whom this can be done. The Government is already directly involved in the Ambar Charkha and handloom projects. The automatic looms project would be far easier to handle than these. Units of thousand looms each should be built in the various parts of the country, to meet the national necessity.

If purely state sector activity is not favoured at the present stage it can be undertaken in a mixed way. The millowners who are interested in exports can be given participation according to their capacity in capital contribution.

By this method, exports of cloth produced on automatic looms can be organised and needs of foreign exchange also met. It will not allow the private interests to use this national necessity for their own benefit.

Another feature of this method will be that when new units of automatic looms are built separately and are not introduced in the existing mills, questions of displacing existing employed workers and productive looms will not arise directly, and immediately.

By this method, we shall be serving the interests of the country, the workers and the industry.

We are, therefore, totally against allowing the existing mills to introduce automatic looms in their existing units. We can consider

a proposal to build separate new units of only automatic looms. Such autonomous automatic loom mills and units exist even today in some parts of the country.

To allow automatic looms to *replace* the existing looms is to allow the massacre of employed workers, to add to unemployment and retrenchment and to create unrest. If our proposed method is accepted, this disastrous result can be avoided, even though temporarily. We say temporarily, because, in the long run, rationalisation under the capitalist system of private profit is bound to lead to unemployment for workers and super-profits for a few big employers.

We hope Government and the Conference will accept our proposals.

### III

COPY OF LETTER FROM SHRI G. L. NANDA, MINISTER FOR LABOUR & EMPLOYMENT, DATED 29TH DECEMBER 1958, TO S. A. DANGE

I have received your letter No. 172-B|58, dated December 21, 1958. Your letter raises a question regarding the nature and status of the agreements reached in the Indian Labour Conference. Since then I have spoken to you in this connection.

The communication from the Ministry to which you have referred does not, I am sorry to say, express the position accurately. The decisions of the Conference may be in the nature of recommendations for others but are to be taken as binding on the parties.

This elucidation should remove the doubt and apprehension which you have expressed in your letter. The understanding regarding the automatic looms will, therefore, now be treated as an agreement, on par with those which have been reached at the Indian Labour Conference.

### IV

MAIN CONCLUSIONS OF THE MEETING OF INTRODUCTION OF AUTOMATIC LOOMS IN THE TEXTILE INDUSTRY HELD ON DECEMBER 22, 1958 AT NEW DELHI

The office note on the subject which had been circulated earlier was discussed. After considering the view points of the invitees present and Shri Dange's letter to Labour Minister on the subject, the proposals made in the office note were approved subject to the following decisions|conclusions:

- (1) Exports were important from the point of view of our

economy. To labour they are important because dwindling exports would result in loss of employment. The proposal to instal 2500 automatic looms annually was marginal in character and could be supported without much difficulty by labour. Even so, the actual implementation should be preceded by steps to apprise the workers of its object and scope to prevent possible misapprehensions. It was emphasised that employers should totally desist from indulging in new recruitment while workers were being rendered surplus.

(2) It was agreed that in considering the safeguards afforded by the Indian Labour Conference recommendations on rationalisation, prohibition of retrenchment of workers should be interpreted to include substitute workers. This would be in tune with the recommendations in the Plan which had been approved by Parliament.

(3) In choosing units for introducing the scheme, Government might consult the appropriate employers' and workers' interests where necessary. While the normal ceiling on the number of looms allotted to a single unit will be only 144, in exceptional cases, allotments upto a maximum of 300 looms for a single unit may be made in consultation with the union (s) in the concerned unit.

(4) The country should be divided into appropriate regions for distributing the looms.

(5) In judging industrial relations in individual undertakings for choosing units, the extent to which the Code of Discipline is honoured will be a prime consideration.

(6) Should disputes arise over the implementation of these proposals either party must have the benefit of adjudication. In the meanwhile, mediatory efforts of the two-man team envisaged in the office note may be availed of, subject to the condition that the team will be strengthened by the addition of a third member from a Labour Court or Industrial Tribunal in case formal adjudications were needed. Labour Ministry would examine the legal implications of such a procedure.

(7) Government should ensure that employers and workers honour their commitments governing the introduction of the scheme. In the light of allegations from the labour side that in some textile centres, even the awards of arbitrators were sometimes not honoured, the sanctions behind the decisions of voluntary bodies like the Indian Labour Conference, came in for discussion. Labour Minister mentioned that the next session of the Conference will consider this question. Meanwhile, it was pointed out that so far as this particular scheme was concerned, while Government had no legal powers to punish the party which failed to honour its agreement, it would

not be difficult to take appropriate measures to bring round the defaulting party.

(8) The working of the scheme should be reviewed once a year, and more frequently if any party should desire it.

(9) Details of the arrangement should be worked out by the Textile Commissioner and a representative of the Labour Ministry.

## APPENDIX VI

### ICFTU'S ADVICE TO ISOLATE AITUC

The International Confederation of Free Trade Unions (ICFTU) has been making strenuous efforts in recent days in order to get its twin affiliates from India, the INTUC and the HMS, to work unitedly, specially in order to subvert the advance made by the AITUC, enveloping as it does ever larger sections of workers in India.

Mr. Oldenbroek, ICFTU General Secretary, visited India in April 1958 and had confabulations with leaders of the INTUC and the HMS with a view to bring about a rapprochement between the affiliate national centres.

Mr. Oldenbroek apparently failed in his mission and later in September 1958, a delegation from the DGB (Federation of West German Trade Unions) was detailed to India, with the same purpose.

We give below certain extracts from the *Indian Worker* (Oct. 6, 1958) on the DGB-INTUC meeting in Delhi. Headlined "HMS Joint Fronts with Communists Decried — INTUC President's Discussions with DGB Delegation", the *Indian Worker* reported:

"The seven-member delegation of the German Federation of Labour (DGB), headed by Mr. Bernhard Tacke, Vice President of the DGB, arrived in New Delhi on September 29, and visited the INTUC Central Office on September 30 and held discussions with Shri G. Ramanujam, INTUC President....

"When questioned on the prospects of unity between the INTUC and the HMS as suggested by a member (of the DGB delegation), Shri

Ramanujam felt that such a unity had to start from the ranks since much bad blood had been created there. Tracing the history of the trade union movement and how the communists played the anti-national role during the freedom movement of 1942, he told the members that it was in 1947 when the INTUC was founded and at that time, many, who formed the HMS, sometime later on, participated at the inaugural conference of the INTUC. After a few months, however, they formed the Hind Mazdoor Panchayat and soon after merged with the Indian Federation of Labour, which was already a discredited body, and as a result the Hind Mazdoor Sabha came into being. Later, they started supporting the communists by forming 'joint fronts' with them here and there, while in the INTUC's view, the communists had to be altogether isolated and rendered ineffectual. The HMS instead tried to isolate the INTUC. One reason for this perhaps was the INTUC was the strongest trade union organisation and in order to fight it, the HMS and the AIRUC joined hands from time to time. As a result, much bad blood had been created among the ranks lower down. *Therefore, if at all there could be unity between the INTUC and the HMS, one had to start from the bottom. The communists had to be isolated and after such isolation, consolidation of non-communist forces was to be taken up.* (emphasis original) The role of the HMS had so far been a negative one. A positive approach would be (1) to isolate the communists and (2) to consolidate non-communist forces."

An editorial commentator in the same issue of the *Indian Worker* described the DGB-INTUC consultations in the following words:

"A significant chord of sincere and cordial relations was struck with the visit of the DGB delegation to New Delhi and the delegation's confabulations with Shri G. Ramanujam, INTUC President, and other leaders at the Central Office. During their stay in Delhi the delegation members had heart-to-heart discussions with the INTUC leaders about the various aspects of trade unionism in India....

"One important point raised by the delegation at its discussions with the INTUC President was the question of inculcation of unity among democratic trade union organisations. *The German delegation itself stressed the necessity of such a unity to counter the influence of the communist-controlled AIRUC* (emphasis added). On this aspect, the analysis of Shri Ramanujam had been very convincing. He felt that in view of so much bitterness among the ranks, such a unity had to start from bottom. The HMS should give up its present policy of joining hands with the AIRUC and forming joint fronts during strikes or lockouts. Only then the way for a closer collaboration could be paved."

The *Indian Worker* (Oct. 6) also announced that the "DGB delegation presents to the INTUC include two loudspeakers, three standard

office and three portable typewriters, three duplicators and recorders."

ATTITUDE OF H.M.S.

The attitude of the Hind Mazdoor Sabha to the moves of the ICFTU was described as follows in the Report of the General Secretary to the 7th Annual Convention of the HMS held in Nagpur in December, 1958:

"I must refer here to the efforts that the ICFTU has felt necessary to make, with a view to bringing about a closer understanding between the HMS and the INTUC. The ICFTUC seems to sincerely believe in the necessity of such an understanding and a delegation of distinguished trade unionists under the leadership of ICFTU's General Secretary, Oldenbroek visited India in April, 1958, to explore the possibilities of it. Further discussions on this subject took place at the ICFTU Executive Board meeting in June-July, 1958, at which I had the good fortune to be present. The thinking among some leaders of the ICFTU appears to be in the direction of a 'no raid' pact of the kind already mentioned by me earlier.

"While I am sure that the effort of the ICFTU in this respect has been initiated with the sincere desire to assist the growth of the free trade union movement in India, I am afraid there is no adequate appreciation of the precise situation and the real character of the INTUC. There is a tendency to equate anti-communism with free trade unionism. Anyhow, the HMS constantly endeavoured to explain to the ICFTU the correct position and the reason why the HMS and the INTUC are so far apart. I must also record that while some officers within the ICFTU may not be convinced of the correctness of our stand, there has been no effort on the part of the ICFTU to exert any pressure upon us to take one course or another in this respect."

## APPENDIX VII

### ATTITUDE OF HIND MAZDOOR SABHA ON T. U. UNITY

The question of trade union unity is discussed as follows in the Report of the General Secretary to the Seventh Annual Convention of the Hind Mazdoor Sabha held at Nagpur on December 24-28, 1958:

"The subject of trade union unity continues to be a live one though it has often been suggested that we should formulate our stand on it once and for all and stop discussing it any further. Actually, the question is of such importance and such day-to-day relevance that whether we like it or not, we have to keep it in our mind all the time.

"As reported by me to the last annual convention, the HMs has formulated its position on this question. We have declared ourselves in favour of an overall unification of the trade union movement provided it was based on the acceptance of the principles of freedom from external influence, full internal democracy and the workers' verdict in fields of existing rivalries. Unfortunately, these principles, and in fact the idea of an effort of unification itself, have not received universal support. The position, therefore, is that the different splinters of the movement continue to exist and are likely to do so for some time. However, from time to time, different circumstances and issues arise on which there is an opinion among some in the HMs that we should not hesitate to participate in joint actions with other organisations. In practice it has been seen that

the INTUC hardly ever joins such joint action and in effect the efforts merely take on the appearance of HMS-AITUC alliance.

"On the other hand, there is an opinion that the HMS as a free trade union organisation must not have any truck with the communists and their AITUC. It is argued that with all its faults the INTUC is at least not the instrument of the political objectives of an anti-democratic party as the AITUC is, and, therefore, at least some kind of understanding between the HMS and the INTUC should be aimed at in order that a direct conflict between them, so harmful to both, may be minimised. It is suggested that some kind of a "no raiding" pact should be entered into between the HMS and the INTUC on the basis of jurisdictional distribution industry-cum-regionwise.

"This problem of our attitude to the INTUC and the AITUC has become so persistent and immediate during the past year that this Convention would do well to consider it fully. In the context of the proposed token strike, the question whether we should enter into joint action with the AITUC has been a very real one for the past year.

"My personal opinion is that such joint actions as a matter of policy should be avoided. Basically, this is because the HMS as a free trade union movement should recognise the undesirability of associating with the communist front organisations in any manner or shape. Whatever advantages such joint action appears to have on specific occasions are illusory and do not really contribute to the strength of independent trade unions. What is worse, those among us who favour such joint actions think of them as isolated steps limited to a specific issue only. The AITUC, however, look upon it as a step in the campaign to inveigle, undermine and eventually swallow up or disrupt the free trade union movement, by the well known Communist tactics of united fronts. In fact, some leaders of the AITUC have actually complained that the HMS has been ungrateful in not supporting actions staged by the AITUC unions even when the AITUC willingly supported the actions staged by the HMS unions. Thus the AITUC's participation in any joint action is to be secured only at a price: the price of accepting the whole principle of united front with them at all points. This was made clear beyond any doubt by the AITUC General Secretary's letter referred to above. I believe that, the acceptance of such a principle cuts at the very *raison-d'etre* of the HMS.

"This question has become particularly serious in Bombay, where the influence and prestige of the Samyukta Maharashtra Samiti are sought to be exploited by the leaders of the Samiti for setting up trade union organisations ostensibly to defeat the INTUC. HMS unions in Bombay have firmly opposed this move all along because it is obviously political and secondly because such organisations set up with the sole purpose of weakening the INTUC do not

by themselves contribute to the strength or effectiveness of the working class movement. However, the proposal has gone beyond the stage of mere discussion and it is clear that the Communists and the AIRUC will do everything to use the Samiti and any other similar multi-party platforms in order to push ahead its policy when it finds that the HMS cannot be beguiled into it. The hands of the HMS unions in Bombay will be greatly strengthened in resisting such insidious manoeuvres if they get the firm backing of the HMS as a whole.

"On the other hand, the idea of any kind of 'no raiding' understanding with the INTUC is no less unrealistic. The last ten years' experience of the policies and functioning of the INTUC and of its relationship with the Congress Government and the Congress Party have made it abundantly clear that it is not and does not even intend to be independent in any real sense of the term. Besides, it has a record of disrupting established organisations with Government support and opposing legitimate struggles of working people which should make it very difficult for any genuine trade union body to associate with it. All of you are familiar with so many instances of this, that I feel it quite unnecessary to give any examples. Nor is there any sign of change in the attitude and policy of the INTUC and of the Government whose patronage it enjoys. Any move by the HMS to enter into a pact with the INTUC without any indication of a basic change in the character of the INTUC, will make us partners in its record. We shall have to share in its bad name. The HMS will lose its appeal to the vast section of workers to whom domination by the Congress is totally unacceptable. Such people may be reluctantly drawn to the AIRUC as a result of HMS entering into pacts with INTUC. Those who are anxious that the influence of the AIRUC should be checked will be actually defeating their own purpose if they try to do it through an HMS-INTUC tie-up.

"The difficulties of associating with the INTUC have been further underlined by the failure of the prolonged efforts for the unification of the organisations of railwaymen. Several prominent HMS comrades have been associated with these efforts which have dragged on for several years and it is a matter of regret to us that their earnest efforts should have been fruitless. However, the causes of failure of these efforts, which have been partly gone into by the Arbitrator accepted by both the parties in this effort, should leave no doubt in anybody's mind that any understanding or co-operation with the INTUC can be only at the price of accepting its domination.

"I, therefore, emphatically feel that while the objective of "no raiding", and of preventing the working class from 'falling under the domination of the communists and the AIRUC may be a very laudable one, any move of the HMS to enter into a pact with the INTUC

can offer no means for it. The HMS has to carry on its mission as a truly independent and democratic organisation ready to fight the Government whenever necessary but also to safeguard the freedom of the movement. We have, during the past, given ample proof of our readiness to suffer and sacrifice in vindication of this stand and I am sure that further suffering and sacrifice in this cause will not be shirked by us."

#### INTUC STAND

The line of thinking of the INTUC on the question of trade union unity was apparent in the editorial of the *Indian Worker* (January 5, 1959):

"Similar efforts have to be made to forge trade union unity. As the AITUC and the INTUC differ in their purpose, direction and their methods, real unity among the two is out of question. It is, however, necessary for organisations, like HMS and the UTUC, to merge with a major organisation of their choice. As the INTUC and the HMS are co-affiliates of the ICFTU, it should not be difficult for them to come closer to each other, but it has to be remembered that there is no use for a few leaders at the top to take a decision on the question. Unfortunately, the HMS is lacking in homogeneity and is not able to speak with one voice on the question."

## APPENDIX VIII

### GRIP OF FOREIGN CONTROLLED COMPANIES ON INDIA'S IMPORT-EXPORT TRADE

Extracts from a study on "External Transactions of Foreign-controlled companies in India" published in the Reserve Bank Bulletin, January 1959, reprinted below, unmistakably show the complete grip of these foreign monopolies on strategic sectors of our export-import trade.

Foreign controlled companies in India fall into two main groups, namely, branches of foreign companies operating in India, and controlled Indian joint stock companies.

**EXPORTS** — The share of total exports commanded by these companies was approximately 30 per cent. Among individual commodities the proportions varied from 70-73 per cent under tea, 40-44 per cent under tobacco, 27-29 per cent under jute manufactures, 18-21 per cent under hides and skins tanned, 17-21 per cent under cotton raw and waste and 6-7 per cent under cotton manufactures.

**IMPORTS** — The foreign controlled companies provided about 28 per cent of India's total private imports. Almost the whole of the country's mineral oil imports was secured through these companies. Two other commodities in which they held a substantial share were chemicals, drugs and dyes (40-46 per cent) and electrical goods (51-54 per cent). Their share was below the average in respect of machinery (22 per cent), metals (9-10 per cent), cotton raw and waste (6-9 per cent) and jute raw and waste (3-5 per cent).

OVERALL POSITION — The external transactions of all categories of foreign controlled companies, taking payments and receipts on merchandise and invisible accounts, aggregated some Rs. 479 crores in 1956 and Rs. 470 crores in 1957.

Two of the major foreign trade commodities, tea on the export side and mineral oils on the import side, are principally in the hands of foreign branches.

The transactions of foreign controlled companies taken together showed an excess of payments over receipts in both the years. This amounted to Rs. 17 crores in 1956 and Rs. 41 crores in 1957.

Non-resident investments in foreign controlled companies amounted to about Rs. 450 crores in 1956.

APPENDIX IX

**WORKING CLASS CONSUMER PRICE INDEX  
NUMBER**

<i>Year</i>	<i>Food</i>	<i>General</i>	
	100=1949	100=1944	100=1949
1950	101	138	101
1951	104	144	105
1952	102	141	103
1953	109	145	106
1954	101	138	101
1955	92	132	96
1956	105	145	105
1957	112	152	111
1958	119*	161*	116*

\* Provisional

APPENDIX X

**STRIKES AND LOCKOUTS**

<i>Year</i>	<i>No. of Stoppages</i>	<i>No. of workers involved</i>	<i>No. of man-days lost</i>
1950	814	719,883	12,806,704
1951	1071	691,321	3,818,928
1952	963	809,242	3,336,961
1953	772	466,607	3,382,608
1954	840	477,188	3,372,630
1955	1166	527,767	6,697,848
1956	1263	734,168	7,136,512
1957	1632	889,368	6,429,324
1958	1564*	942,420*	7,592,603*

\* Provisional

## STRIKES AND LOCKOUTS — 1958

<i>Month</i>	<i>No. of Stoppages</i>	<i>No. of workers involved</i>	<i>No. of man-days lost</i>
January	147	56,492	371,125
February	152	99,482	447,586
March	167	85,462	818,824
April	170	61,489	530,162
May	160	57,657	716,012
June	163	161,711	1,529,248
July	164	98,592	464,165
August	132	63,571	613,682
September	132	59,359	415,083
October	121	34,445	262,600
November	99	34,689	177,574
December	96	46,861	180,558

APPENDIX XI

**TABLE SHOWING LOANS RECEIVED  
FROM VARIOUS SOURCES**

	<i>(in Rs. crores)</i>
U.S.A.	.. 90.31
Indo-U.S. Technical Co-operation Agreement	.. 61.91
Canada	.. 11.52
U.S.S.R.	.. 122.57
West Germany	.. 75.00
International Bank for Reconstruction and Development:	
(a) Public Sector	.. 77.53
(b) Private Sector	.. 92.16
U.S. Bank Credit for Air-India	.. 5.33
U.K. Banks	.. 35.33
Japan	.. 24.00
Total	.. <u>595.66</u>
Purchase of U.S. Surplus Agricultural Commodities:	
P.L. 665 (Wheat & Cotton)	.. 15.55
P.L. 480	.. 172.57

# RESOLUTIONS

## 1. CONDOLENCE RESOLUTIONS

### **COM. V. CHAKKARAI CHETTIAR**

The General Council of the AIRUC places on record its deep sense of sorrow at the sad demise of Com. V. Chakkarai Chettiar, one of the oldest trade unionists of our country, a pioneer of the working class movement in India and former President of the AIRUC.

Com. Chakkarai Chettiar always stood steadfastly with the working class and the AIRUC in all their trials and tribulations and fought selflessly on their behalf, and consistently struggled for working class unity.

The AIRUC dips its banner in his sacred memory.

### **SHRI SOMNATH P. DAVE**

The General Council of the AIRUC expresses its grief at the sad demise of Shri Somnath P. Dave, one of the outstanding leaders of the AIRUC and resolves to convey its condolences to the family of the deceased.

## 2. ON AFRO-ASIAN SOLIDARITY

The General Council of the Arruc greets the people of the colonial and dependent countries of Asia and Africa, who are struggling bravely for their national independence and for the ending of foreign imperialist exploitation of the vast natural resources and riches of these countries.

In this great upsurge of the anti-colonial struggle, the peoples of the United Arab Republic, Iraq, Ghana, Guinea, Sudan and Nigeria have already won their independent national states, thereby further crippling the imperialist positions on the African continent and in the Middle East. The General Council extends its warm salutations to the peoples of all the above-mentioned countries and in particular, of the new Iraq Republic where the imminent danger of armed imperialist intervention was foiled by the unity of the anti-monarchical and anti-feudal popular forces.

The General Council takes note of the fact that despite the historic successes already achieved by the anti-colonial revolution, vast territories in Africa and Asia still remain under the jackboot of imperialism and victims of its colonial policy of plunder and oppression. The continuing war in Algeria, the recent massacres in the Belgian Congo, the intensification of fascist racial discrimination measures against the coloured peoples of South Africa, the forcible occupation of Taiwan, New Guinea and Goa by the American, Dutch and Portuguese Governments, the rebel activities in parts of Indonesia to destroy that Republic, show that the Western imperialist powers are still unwilling to peacefully give up their colonial exploitation.

Whenever the newly liberated under-developed countries of Asia and Africa resolved to take the path of independent and democratic development by curbing the activities of foreign monopolists and their supporters, the imperialists first tried to deny them help in economic reconstruction or give it with political strings attached. When some countries with democratic and progressive outlook refused to be hampered by the imperialists, and persisted in their path, the imperialists have taken recourse to fomenting and installing with direct armed support reactionary military dictatorships, where they could find suitable internal allies to serve their ends. In this tactic of intervention to recover their losing hold on the economies and wealth of the Afro-Asian countries, the imperialists skilfully use the activities of the capitalist-landlord parties to utilise the parliamentary democracy and the Governments to carry out their own aggrandisement at the cost of the people, the consequent discontent of the people against such forms of Government and the failure of the progressive, democratic forces to unite to fight this misuse of

parliamentary democracy, to pave the way for reactionary coups and military dictatorships against the people. These reactionary dictators try to secure popular support by mouthing phrases of combating corruption, and solving people's problems by swift-acting martial laws. But their real face is soon revealed when they suppress all political parties and democratic trade union rights and allow the landlords and monopolists to aggrandise themselves with greater ferocity under the protection of martial laws and permit imperialist war bases to be built on their soil to launch military adventures against peace-loving countries.

While in no way giving up our friendship with the people of Pakistan, the General Council expresses its deep concern at the recent coup in Pakistan resulting from such imperialist manoeuvres and constituting not only a grave setback for Pakistan's own national sovereignty and democratic development but also a menace to peace and national security and democratic development of India.

The General Council wishes, therefore, to emphasise the need for sharp vigilance against all desperate manoeuvres of the imperialists against national independence, sovereignty and peace of the countries of the Afro-Asian zone, and the need to mobilise the working class and all democratic masses for giving a resolute rebuff to the aggressors and take to and adhere to the path of democratic and socialist development. In order to achieve this, as well as to expedite the winning of national freedom for the still enslaved countries, it is essential that the mighty front of Afro-Asian solidarity be further consolidated and developed along the path whose milestones have been the historic conferences of Bandung, Cairo and Accra.

The General Council appeals to all trade union organisations, irrespective of affiliation, to join hands in this noble cause of fighting for freedom, human rights and peace and to mobilise the workers to play a leading role in the movement for Afro-Asian solidarity. The General Council heartily welcomes the decision to hold the first all-India conference of Afro-Asian solidarity in Calcutta from March 8, 1959, and calls upon its affiliated unions to widely popularise the same and to take an active part in the preparation and work of the conference.

### 3. ON FIRINGS ON WORKERS

The AIRUC has always viewed with great concern and condemned police firing on workers during their struggles in defence of trade union rights and for improving their working and living conditions.

The AIRUC had demanded that where such inhuman measures have been adopted, they must immediately be followed by institu-

tion of open and judicial inquiry into the circumstances of firing and that the guilty officials be adequately punished.

In consonance with this policy, this meeting of the General Council of the arruc strongly deprecates the recent firings resorted to at Jamshedpur, Madras, Chandanathope, Munnar and most recently at Gorakhpur in Uttar Pradesh, killing two sugar workers and injuring several others. The General Council pays its homage to all those who have lost their lives in these firings. The meeting appreciates steps taken by the Government of Kerala in instituting public judicial inquiries into the unfortunate firings so that those responsible could be brought to book.

The meeting also welcomes the Kerala Government's decision to pay compensation promptly to the dependants of those who were killed. These measures stand out in sharp contrast to the general practice of the various Congress-run State Ministries in refusing to appoint judicial inquiries or to pay compensation in the innumerable firing cases which have taken place, while seeking to justify in every case the action of the police.

The General Council records its whole-hearted satisfaction at yet another very valuable step taken by the Kerala Government, in constituting a high-power committee, consisting of a retired judge of the Supreme Court, an eminent lawyer and a trade unionist for formulating a code of behaviour for the police in handling questions of law and order.

This meeting urges upon the Congress Governments at the Centre and in other States to emulate this example, so that all situations affecting law and order are soberly handled, indiscriminate firing is avoided, democratic liberties are preserved, and above all, danger to human life reduced to a minimum.

#### 4. ON RISE IN FOOD PRICES

The General Council of the arruc views with concern the steep rise in the prices of foodgrains and other necessities of life. The rising prices have not only caused misery to the common people, but have been one of the chief factors contributing to the increase in the cost of the Plan.

The situation has been brought about mainly by the activities of profiteers and hoarders, who, aided by the resources of the banks, have been manipulating the market to the detriment of the peasants and the consuming public. The policies that the Government has pursued in this period, far from effectively checking their anti-social activities, have only helped them.

The General Council welcomes the policy recently announced

by the National Development Council and the Government of India for taking over the wholesale trade in foodgrains as a State monopoly.

However, the steps announced by Government, in pursuance of this declared policy, *viz.*, of licensing wholesale dealers and procuring from them to build up a stock of two million tons will again place the country's food in the grip of the very people who have been responsible for the present alarming situation and, as such, are fraught with danger.

As a first step in the direction of implementing this policy of State monopoly of wholesale trade in foodgrains and in order to ensure fair price to the peasant as well as to the consumer, the General Council demands that the Government should take the following steps:

- Fix the minimum price for the peasant producer, as well as the maximum retail selling price of foodgrains—the maximum selling price to be not more than 15% above the minimum price.
- Ensure the minimum price for the peasant by arranging that voluntary offers of foodgrains to Government will be purchased by Government officials in cooperation with village panchayats or elected peasant committees at places within easy reach of the peasant.
- Procurement from landlords holding more than 10 acres of wet land, at the minimum price, on the basis of a system of compulsory graduated levy.
- The Government should commandeer the stocks from wholesalers whenever the retail price in the market goes above the maximum price.
- Government should open immediately cheap grain shops at the rate of one for 500 of the population.
- Constitution of popular committees to ensure proper distribution through the fair price shops, and also to watch the activities of the traders.

##### 5. ON EMPLOYEES' STATE INSURANCE SCHEME

The Employees' State Insurance Scheme has been in operation for the last seven years and now covers about 12.35 lakh employees in various Centres. The AIRUC welcomed the scheme and has so far co-operated in its implementation while at the same time struggling to effect improvements.

The AIRUC finds that during the last seven years the Employees' State Insurance Corporation amassed a huge reserve of nearly Rs. 14 crores by denying basic amenities to the insured workers in the

form of hospitalisation and medical aid to the families. While, on the one hand, the Government has given concessions to the employers by reducing their contribution from statutory 4¾% of the wage bill to 1¼% and to the State Governments by reducing their share of the cost of medical benefit from ⅓ to ¼ in the first instance and then to ⅛ after extension to families; on the other hand, the workers' contribution has been maintained at the statutory level of 2½% of wages which amounts to double that paid by the employers. The Employees' State Insurance Corporation is at present dominated by the nominees of Central and State Governments which do not pay any contribution towards the expenses of the scheme, whereas workers who contribute 60% of the income of the Corporation are represented by only five members out of a total of 35.

In the matter of payment of cash benefits, inadequate as they are, the administrative machinery set up by the Corporation is so cumbersome and defective that workers have to suffer loss of working days and face many other hardships at the local offices. The medical benefits and specialist's services are administered in such a bureaucratic and callous manner that the workers instantly recoil away from the scheme and incur heavy expenditure by availing private medical aid. Even employees suffering from T.B. are made to wait for months to get admitted to hospital resulting in worsening of the disease and exposing the patient to certain death.

During the last few years the AIRUC from time to time has repeatedly demanded (a) extension of the scheme to the families (b) construction of hospitals for insured workers at the centres, (c) reduction of workers' contribution, and (d) removal of administrative defects. However, apart from general promises and minor improvements, the Central Government has failed to move in the matter and the State Governments have successfully sabotaged construction of hospitals and extension of the scheme to the families.

While emphasising the urgent need of enhancing the contribution of employers to the full statutory limit, reduction of workers' contribution by at least 50% and medical improvements in the benefit structure of the scheme on the lines suggested by the Study Group on Social Security, the General Council of the AIRUC feels that it is necessary to take effective steps to secure immediate extension of the scheme to families of insured workers at all centres and construction of hospitals at such big centres as Bombay, Calcutta, Kanpur, Delhi, etc. The Council, therefore, warns the Central Government that the AIRUC will be constrained to withdraw its support to the Employees' State Insurance Scheme and call upon all affiliated unions to launch direct action in the form of pay-strikes and demonstrations etc., if the E.S.I. Corporation fails to undertake construction of hospitals in all big centres and extension of the scheme to fami-

lies before 31 March 1959. The General Council further directs all unions to observe "E.S.I. Protest Day" on 1 March 1959 and directs the Secretariat to organise and coordinate action at all centres after 31 March 1959, with a view to bring maximum pressure on the Central Government and the E.S.I. Corporation.

#### 6. ON REPORT OF STUDY GROUP ON SOCIAL SECURITY

The AITUC has repeatedly demanded a comprehensive system of social security but the report of the Government of India's Study Group on this subject unfortunately confines its study to the integration of some of the existing schemes.

Though the recommendation of the Study Group to integrate some of the existing schemes of social security and conversion of the Provident Fund Scheme into pension scheme is in principle unobjectionable, the workers' bitter experience of the unsatisfactory working of the Employees' State Insurance Scheme and lack of response to the suggestions for improvement are bound to evoke spontaneous opposition from them.

Before any scheme of integrating the existing benefits into a pension scheme is discussed, the Government must first carry out in full, the measures promised under the ESI, *viz.*, giving medical benefits to the families of the insured, realising the full contribution from the employers, building hospitals, etc. Unless this is done, there can be no question of the workers consenting to allow the Government and the employers to play with their provident funds and contributions.

Hence the AITUC urges upon the Government to take immediate steps to fulfil these demands and restore confidence among the workers.

This General Council meeting calls upon all affiliated unions to discuss the report of the Study Group and send their detailed opinions on the same to the AITUC Secretariat by 31 March, 1959, so that the final views of the AITUC may be communicated to the Government.

#### 7. ON SUBSIDISED INDUSTRIAL HOUSING SCHEME

The General Council of the AITUC takes serious note of the position that industrial housing is not progressing according to the requirements of the working class.

It is true that certain State Governments as in U.P. and Bombay have constructed a few tenements. But employers are not constructing any substantial number of houses under the Subsidised Industrial

Housing Scheme. The workers' cooperatives are also unable to come forward because of many difficulties.

The General Council therefore demands that an Industrial Housing Act should be enforced compelling employers to construct houses for workers. It should be made obligatory on the part of State Governments to acquire and develop land and make it available for construction of industrial housing by the employers or co-operatives. The workers should be allowed to draw their contribution to construction from their Provident Fund accumulations.

The rents of the tenements are very high. This should be reduced not only by reducing local taxes, etc., as suggested by the Housing Ministers' Conference but also by way of direct subsidy from the Government and the employers.

The houses constructed are at many centres away from the working places. It is therefore suggested that State Governments should not only provide transport on a no-profit-no-loss basis but transport costs should be subsidised by the employers and the workmen should be charged only nominal fares.

The Subsidised Industrial Housing Scheme is at present confined only to workmen as covered by the Factories Act. Middle-class employees, transport workers and employees of banking establishments, etc., are not covered by the benefits of this Scheme. The General Council demands of the Central Government to extend the Scheme and make it applicable to all the workmen covered by the Industrial Disputes Act.

The General Council calls on all trade unions to take increasing interest in the housing question, utilise the Subsidised Industrial Housing Scheme to the benefit of the workers, improve on the Scheme and force the employers to undertake industrial housing, thus defeating their present refusal to construct houses for the workers.

### 8. ON INTRODUCTION OF AUTOMATIC LOOMS IN TEXTILE INDUSTRY

The General Council of the AITUC notes with regret that the recent Delhi Conference on the question of automatic looms convened by the Union Labour Ministry has decided to go ahead with installation of such looms in selected existing units of the textile industry and has brushed aside the constructive proposals made to the conference in a letter by Com. S. A. Dange on behalf of the AITUC.

The AITUC had made it perfectly clear that it was not opposed in principle to modernisation and that, if the Government felt that

automatic looms are essential to produce cloth for the export market, such looms should be installed in new units specially constructed for this purpose in the State Sector.

At the same time, in the existing conditions of the Indian cotton textile industry, the AIRUC had told the Government that it was absolutely opposed to the proposal for introducing automatic looms in the existing mills on the plea of stepping up exports, as this would only open the door for large-scale retrenchment of workers. Since the Government has chosen to ignore the AIRUC's opinion, the General Council wishes to endorse the contents of Com. Dange's letter to the Delhi Conference and calls upon the textile workers to resist any attempt to displace existing looms by automatic looms.

### 9. ON COOPERATIVES

The General Council of the AIRUC notes with satisfaction that a number of trade unions have taken initiative in forming and running cooperative societies of various types, such as consumers' cooperative stores, industrial cooperatives and producers' cooperatives, many of which have been acknowledged to be model cooperatives.

The General Council, however, desires to underline the fact that the Cooperative Acts and the Rules for their administration, far from encouraging the cooperative movement actually create obstacles to the formation and development of cooperative societies. These Acts and Rules have led to bureaucrats in the department wielding enormous powers which undermine the democratic functioning of the societies. The General Council, further, notes that many State Governments have been consistently pursuing a policy of discrimination against the AIRUC unions in the matter of formation of the cooperative societies as well as in the matter of assistance to societies run by the AIRUC unions.

The General Council demands a reversal of such discriminatory policies by State Governments, as well as suitable amendments to the Cooperative Acts and Rules in order to ensure fullest democracy to the societies.

The Council welcomes the energetic steps taken by the Kerala Government, who have helped the formation of workers' cooperative societies in a number of industries as well as of labour cooperatives in the PWD replacing contractors.

The General Council calls upon the trade unions to take further initiative and make sustained endeavour in the formation of and running of cooperative societies and carry on the struggle against the anti-democratic features of the Co-operative Acts and against official obstruction to the growth of the movement.

## 10. ON THE SUPREME COURT

The General Council expresses its concern at the decisions of the Supreme Court and High Courts taking away the hard-won rights of the working class. The Madras High Court has held in the case of Sridaran Motor Services that the employers have fundamental right to terminate services of their employees and social justice is a contentious concept. Patna High Court has pleaded for denial of known rights to a section of employees. The decision of the Supreme Court in the Working Journalists Wage Board Award may be mentioned in this context.

Although the Code of Discipline adopted at the 16th Indian Labour Conference discourages litigation, there is an increasing tendency among employers to file appeals in the Supreme Court against tribunal awards. Bonus awards for Coimbatore textile workers, for Madurai mill workers, for workers of the *Indian Express* have been recently referred to the Supreme Court. Even the reinstatement of an employee of the Chartered Bank, ordered by the Tribunal is subject matter of a recent appeal to the Supreme Court. The General Council condemns this tendency of the employers to delay and defeat justice.

Already hundreds of appeals are pending before the Supreme Court and High Courts. The Government have stated that excluding States of Madras and Bombay, 189 cases are pending for one year and 69 cases are pending for two years. Lipton Delhi Award of August 1954, Bonus award for 129 Banking Companies of April 1954, and Plantation Award for South of 1956, are still pending before the Supreme Court.

The General Council condemns the employers' tendency and the delays in disposal of appeals and requests the Government to pass suitable amendments to the Constitution to ban such appeals. The General Council further warns the working class of this dangerous anti-working class tendency of these Courts and calls upon the working class to defend their hard-won rights.

## 11. ON CENTRAL PAY COMMISSION

This meeting of the General Council of AIRUC views with concern the delay in the submission of the report of the Central Pay Commission. It was only after the announcement appointing the Commission that the Confederation of Central Government Employees' Unions withdrew their strike notice in August 1957. It was assured at that time that the report would be ready within a year. This Second Pay Commission has been appointed after a lapse of ten years and during this period the pay scales of the 18 lakh employees

of the Central Government have not been increased. This Commission has granted only a paltry interim relief of Rs. 5 which does not bear any relation to the high cost of living obtaining in the country and has not given any kind of relief to the employees.

This meeting while demanding that the report be finalised early, supports the demand of the Central Government employees for grant of an additional adequate interim relief pending finalisation of the report.

## 12. ON WAGE BOARDS

This meeting of the General Council of the AIRUC strongly protests against the attitude of the Government of India in not setting up as yet the Wage Boards for iron and steel, plantation and jute industries as suggested by the 15th Indian Labour Conference.

This meeting further views with concern the delay in the submission of the reports of Wage Boards for textile, cement and sugar industries. These Wage Boards have been set up following the agitation by the workers for upward revision in their wages and pay scales. The Wage Board on Cotton Textile Industry was constituted nearly two years ago. During this period the prices of foodgrains and essential commodities have been soaring high as revealed by the Consumer Price Index for Working Class. This has been causing untold hardships to the workers and specially for those workers in the units where the grant of dearness allowance is not linked with the Cost of Living Index.

The employers are making every attempt to delay the decisions of the Wage Boards on the false plea of crisis in the industry and threats of closing down some units; while the profits in the industries have been increasing.

This meeting, therefore, strongly urges on the Government to arrange for expediting the reports of the Wage Boards already constituted, and set up immediately the Wage Boards for Iron and Steel, Plantation and Jute Industries. This meeting calls upon the workers to further strengthen their organisation which alone can foil the attempts of the industrial magnates, and the Government as well as guarantee justice being meted out to the workers.

## 13. ON WORKMEN'S COMPENSATION (AMENDMENT) BILL

This meeting of the General Council of the AIRUC notes with disappointment the Workmen's Compensation (Amendment) Bill now before the Lok Sabha.

The Central Government has taken 12 years since the last amendment in 1946, to bring this amending Bill. The amendments to the bill were under consideration of the Central and State Governments, for the last five years. All the Central Trade Union Organisations have been demanding certain very important and urgent amendments to the Workmen's Compensation Act, 1923. And the Central Government has been promising a comprehensive amending Bill for quite a long time.

In spite of all these promises and such inordinate delay, the Central Government has produced a Bill that goes only so far as to reduce the waiting period from 7 to 3 days, to remove the distinction between adults and minors in awarding compensation, slight improvement in schedule I concerning assessment of disability, in schedule II concerning employments covered, and in schedule III concerning occupational diseases. The employers shall now have to report not only fatal accidents but also accidents involving serious bodily injuries. The penalties for violation of the Act have been enhanced. The Factories Inspectors have been allowed to represent workmen in compensation cases.

But the amendments fall far short of the requirements of the working class and the longstanding demands of the trade union movement.

The rates of the compensation (Schedule IV) are outmoded and should be enhanced. Increased rates should be awarded to miners and young workers.

The wage ceiling should be raised from Rs. 400 to Rs. 500 and the employers' contribution to the Provident Fund should be included in the wage for computation of compensation.

All the accidents should be reported and the employers' liability to pay should be accepted not only in cases of accidents arising out of alleged negligence of worker, but also in the case of serious bodily injury as in the case of the British Act.

The list of employments should be further improved to include cardamom plantations, supervisory cadre in mining involved in accidents underground, transport workers, all construction workers and clerical cadre of all the employments covered.

The list of occupational diseases needs further improvement to include certain diseases peculiar to miners, not covered now.

It should be provided that arrangements should be made for prompt diagnosis of occupational diseases, prompt first aid, treatment of the injured free of cost, supply of artificial limbs and aids to the disabled, and rehabilitation of the disabled employees.

The definition of the employment should be improved to include accidents involving workmen outside the premises but in connection with the manufacturing process or the business carried on, on the premises.

The General Council of AIRUC demands of the Central Government the acceptance of these amendments and make the bill comprehensive and meet the longstanding demands of the trade union movement.

#### 14. ON SECTION 4A & 4B OF CENTRAL GOVERNMENT SERVANTS' CONDUCT RULES

This meeting of the General Council of the AIRUC views with concern the retention of amendments 4A and 4B to the Central Government Servants' Conduct Rules.

The amendments were made as a substitute for the ordinance promulgated in August 1957 for banning strikes and demonstrations in the wake of the strike decision by Central Government employees. Although the strike was averted following a settlement, the amendments still continue, thereby banning demonstrations for demands and denying right to employees for joining unions of their choice. These amendments are against the various provisions of the Constitution and are meant to curb the genuine trade union activities of the Central Government employees.

Recently the Secretary-General of the All-India Non-Gazetted Audit and Accounts Association has been dismissed and more than 200 employees of Post & Telegraph Department in Madras circle have been proceeded against under these Rules.

The General Council requests the Government to immediately withdraw the amendments in the interest of industrial peace. The General Council calls upon the working class to raise its powerful voice protesting against this restriction on trade union rights and the vindictive use of these powers and demanding withdrawal of these rules. The General Council whole-heartedly supports the stand of the Confederation of Central Government Employees' Unions in this direction.

#### 15. ROAD TRANSPORT LABOUR LEGISLATION

This meeting of the General Council of the AIRUC expresses its dissatisfaction at the inordinate delay in enacting legislation regulating the conditions of work of nearly four lakh workers engaged in road transport industry. The Expert Committee appointed to go into this question submitted its report a year ago. The Government,

due to pressure of road transport operators and their organisations, have not taken a firm decision yet, notwithstanding the several assurances held out to the National Federation of Road Transport Workers in this regard.

The road transport workers are subjected to inhuman exploitation by the operators in the absence of legislation. In some cases, drivers are compelled to work for more than 12 to 13 hours a day. In order to mitigate the hardship of these workers and regulate the hours of work, rest, leave and other conditions of work, it is very essential that legislation should be undertaken.

This meeting, therefore, strongly urges upon the Government of India to enact the Road Transport Labour Act on the lines suggested by the workers' representatives on the Expert Committee.

#### 16. ON VERIFICATION OF UNION MEMBERSHIP

This General Council of the AIRUC notes that earlier the strength and the representative character of unions and central *TU* organisations were determined in a one-sided manner by the bureaucratic administration without any reference to unions and central organisations.

Since the Sixteenth Indian Labour Conference held at Nainital in May 1958, the procedure is slightly liberalised and an opportunity is now provided to the unions and central organisations to challenge the claims of the others.

Nevertheless, the General Council wishes to point out that the facilities for enlisting and making up of membership rolls, which are the basis of verification, are put at the disposal of the *INTUC* by the employers and the Government machinery, while these are denied to the unions of the *AIRUC*. Employers and Government officials permit the *INTUC* unions, whether recognised or not, to collect union subscriptions right, at the payment counters in the presence of the management. This enables the *INTUC* unions to coerce the workers in getting on their rolls and present a false picture of mass membership.

Hence the General Council once again emphasises that verification is no substitute for the ballot. Ballot alone under present conditions is the most democratic method to determine the strength and the representative character of unions and central organisations. Thus while preparing for verification, unions must continue to agitate for the ballot.

#### 17. ON JAMSHEDPUR DEFENCE & RELIEF FUND

The General Council of the *AIRUC* draws the urgent attention

of all trade unions and workers to the continued need of rendering assistance to the Jamshedpur Mazdoor Union for the purpose of conducting legal defence of the union leaders and large number of workers against whom serious cases involving charges of conspiracy, murder, intention to sabotage the five year plan, etc., have been framed, following the rrsco strike of May 1958.

About 600 victimized workers and their dependants are also in need of relief.

Though the Jamshedpur workers, undaunted by repression, are contributing magnificently for the defence and relief of their comrades, nevertheless their resources alone cannot suffice to cover the huge expenditure required.

The General Council, therefore, while protesting against the Bihar Government's policy of repression and harassment, calls upon all unions to intensify the solidarity campaign in defence of the Jamshedpur workers' trade union rights and to collect funds for their legal defence and relief.

#### 18. ON ANTI-AITUC LABOUR POLICIES OF BIHAR, BOMBAY & MADHYA PRADESH GOVERNMENTS

The General Council of the AITUC takes serious note of the deliberate offensive which is being carried on by the Labour Departments of the Governments of Bihar, Bombay and Madhya Pradesh to suppress the AITUC organisation in these States. Though the Central Government and all State Governments, except Kerala, have been following a generally hostile and discriminatory labour policy towards the AITUC, the three State Governments specially referred to above have exceeded all limits in their vindictive and openly partisan policies and their use of the State machinery against the AITUC unions. These policies have come to be identified with the three Labour Ministers concerned, viz. Shri Binodanand Jha, Shri Shantilal Shah and Shri V. V. Dravid, under whose personal inspiration they are being carried on.

The General Council strongly protests against the blatant refusal to grant registration to AITUC unions in Bihar and even to exclude registered unions such as the Jamshedpur Mazdoor Union from conciliation proceedings under the Industrial Disputes Act. Even the agreed conventions of the Bihar Labour Advisory Board are systematically violated by the Government in their application to AITUC unions. The General Council protests against the vendetta carried on against AITUC unions with the help of the Bombay Industrial Relations Act in Bombay and Madhya Pradesh in order to impose upon the workers the unions of the INTUC whose so called "representative" character has been exposed in practice.

The General Council congratulates the working class of Bombay City for its historic General Strike action against the State Government's labour policy, which was a clear vote of no-confidence for Shri Shantilal Shah. It also congratulates the workers of Madhya Pradesh for organising mass protest demonstrations against Shri Dravid's policies. The General Council demands that these three Labour Ministers be removed from office and the State Governments concerned give up their present policies of violating the Code of Discipline and agreed norms of impartial Government behaviour towards all unions irrespective of affiliation.

#### 19. ON AGRICULTURAL LABOUR UNIONS

The General Council of the AIRUC resolves that agricultural workers' unions be organised and affiliated, wherever possible, to the AIRUC. Such unions should function in close cooperation with the Kisan Sabhas in their areas of work.

#### 20. ON AITUC BUILDING FUND

The General Council of the AIRUC resolves to construct a building in Delhi for housing the Central Office of the AIRUC. The Council decides to start a Rs. Two Lakh Fund for this purpose to be known as the "AIRUC BUILDING FUND".

The Council calls upon the State rucs and trade unions to make this campaign for the Fund a thumping success.

Our General Secretary, Com. S. A. Dange, whose inestimable services in the trade union movement are a matter of pride not only for the AIRUC but also for the entire Indian working class, completes sixty years on October 10 next, the very month in which the AIRUC was founded thirty-nine years ago.

The Council is of opinion that it will be most fitting that a purse comprising of the contribution for the Building Fund be presented to Com. S. A. Dange on the occasion of his completing sixty years, which also marks the growth and consolidation of the AIRUC as the premier trade union organisation of our country.

The AIRUC is looked upon today by millions of workers in our country, whether they are organisationally affiliated to it or not, as the staunchest defender of the interests of the working class. The General Council is confident that workers and their well-wishers irrespective of their trade union affiliations, will magnificently respond to this call of the General Council and contribute their utmost to the AIRUC BUILDING FUND.

## OTHER PUBLICATIONS

1. **Handbook of Tripartite Agreements** Rs. 1-50  
*Papers relating to Delhi and Nainital Sessions of the Indian Labour Conference and tripartite industrial committees.*
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