

INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

32228 ... Industrial and Labour Development in May, 1949.

H.B.-Each Section of this Report may be taken out separately.

B. I. T. Registry
23. JUN 1949
File 33.2.110 a
With:
By:
Approved
By:
CENSA

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - MAY 1949.

11. Political Situation and Administrative Action.

India: Joint Advisory Committee on Labour Relations in Railways set up.

A Joint Advisory Committee, consisting of representatives of railway labour and of the Railway Board with an independent chairman, has been set up by the Government of India to advise the Government on matters of common interest that may be referred to it by the Government. The first meeting of the committee was held on 12 May 1949.

A press note explaining the Government's decision stated that the Government of India had felt for some time the desirability of setting up a joint body for consideration of matters of common interest to management and labour on Indian Government railways. In pursuance of its undertaking to the All-India Railwaymen's Federation in this connection and in order to associate representatives of railway workers in the evolution of a labour policy for Indian Government railways and the settlement of outstanding differences between railway employees and administrations, the Government had decided to appoint a joint advisory committee for dealing with the anomalies arising out of the application of the recommendations of the Central Pay Commission and labour relations on Indian Government railways, for a period of one year with effect from 9 May 1949. The committee will consist of: (1) four representatives of labour nominated in consultation with organised railway labour; (2) four representatives of the Railway Board, one of whom shall act as secretary to the committee; and (3) an Independent chairman to be nominated by the Ministry of Labour.

Members of the committee.— The following have been nominated to the committee: (1) Mr. Jeejeebhai, Chairman of the Standing Industrial Tribunal, Calcutta (nominated as Chairman by the Ministry of Labour); (2) Mr. Ramaswamy Ayyar, Mr. S.S. Gore, Mr. Y.P. Kulkarni and Mr. M.E. Bartley (representatives of Railway Board); and (3) Mr. R.A. Khedgikar, Mr. S. Guruswamy, Mr. P. Chatterji and Mr. Harihar Nath Shastri (representatives of railway labour).

Functions of the committee.- The committee would in the first instance, inquire into and make recommendations regarding the alleged anomalies in the application of the recommendations of the Central Pay Commission to railways. It would thereafter act as an advisory committee for the Ministry of Railways in all matters relating to labour policy and labour relations which may be referred to it by the Ministry of Railways or brought before it by any member with the consent of the Ministry. It would, however, be precluded from considering cases of individuals or matters relating to disciplinary action. The committee's recommendations on all subjects referred to it would be submitted to the Government, which would after due consideration, pass such orders thereon as it may consider proper.

Explaining the functions of the committee at a press conference on 6 May 1949, Mr. K. Santhanam, Minister of State for Transport and Railways stated that the committee would deal with a wide range of subjects, including questions of policy with regard to ~~minimum~~ anomalies to labour and recognition of unions. The committee would go into the question of pay anomalies to begin with.

(The Hindustan Times, -dated
7 and 13-5-1949;
The Statesman, dated 6-5-1949).

CHAPTER 5. PROFESSIONAL ORGANISATIONS.

INDIA - MAY 1949.

51. Workers' Trade Union Movements.

Second Annual Session of Indian National Trade Union Congress, Indore, 6,7 and 8 May 1949: Sardar Patel, Deputy Prime Minister inaugurates Session.

The 2nd annual session of the Indian National Trade Union Congress (INTUC) was held at Indore city on 6,7 and 8 May 1949. The session, presided over by Mr. Harihar Nath Shastri, was attended by about 2,000 delegates from all parts of India and was inaugurated by Sardar Vallabhbhai Patel, Deputy Prime Minister, Government of India. Among those who attended the meeting by special invitation were Mr. Irving Brown, representative of the American Federation of Labour, Mr. K.D. Jones, Labour Attache to the British High Commissioner in India, Mr. Henry Sokolov, Labour Attache to the United States Embassy in India, and Mr. K.E. Matthew, Acting Director of the Indian Branch of the International Labour Office.

Resolutions.- The more important of the 17 resolutions adopted by the Congress are briefly noticed below:-

Objectives.- The "Objectives" resolution stated, it was "the special mission of the INTUC to help in building up a new life in India on the basis of Gandhiji's ideology, which seeks to create a just and happy social order, in which exploitation in any form and anti-social concentration of power or wealth will not exist". The INTUC, therefore, recommended to its affiliated unions to take up activities for raising the character, intelligence and capacity of the working class, instilling in them a sense of devotion to duty, responsibility for the social group and consideration for dependants, especially women and children.

Prompt machinery for disposal of industrial disputes and implementation of awards.- The Congress recorded its pleasure that an overwhelming majority of the workers had scrupulously maintained industrial peace since the industrial truce resolution of December, 1947 (vide pages 22-31 of the report of this Office for December 1947), but regretted that Government machinery for the disposal of industrial disputes had often worked very slow. The Congress, therefore, requested the Government of India to set up immediately an adequate number of tribunals to settle all pending disputes between the Government and its employees, and take suitable measures to see that similar action was taken by the provinces. It had come to the notice of the INTUC, the resolution added, that in several

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provinces awards of tribunals were not being carried out, thus causing loss of confidence on the part of workers in the efficiency of the machinery set up by Government for settlement of industrial disputes. It urged upon the Government of India to redress the situation by suitably amending the Industrial Disputes Act.

Fair wages and profit sharing.- By a resolution on this subject, the Congress expressed its regret that it has not yet been found possible to enunciate the principles which should govern fixation of fair wages and allocation of the workers' share in the profits of industry in spite of the fact that the "truce resolution" calling for such formulation was passed as far back as December, 1947. The very foundation of industrial peace rested on the creation of a just basis for settling wages and allocating profits, and the Congress requested the Government to solve these problems on the lines suggested by the representative of the INTUC.

Employment of workers.- The resolution on this subject pointed out that the system of recruitment of labour in industries was unscientific and left scope for corruption, and thus adversely affecting efficiency and production, and urged Government to establish suitable machinery for adequately supervising recruitment of workers. Provision should also be made for suitable training of workers both before and after employment.

Minimum wages.- The resolution on minimum wages pointed out that implementation of the Minimum Wages Act, 1948, had been greatly delayed. The Congress urged the Governments concerned to give effect to this legislation in all the industries covered by the Act without further delay.

Housing.- The Congress welcomed the scheme recently announced by the Government of India to provide a million houses for industrial workers within ten years, but pointed out that the progress of the scheme had, however, been very insignificant hitherto. It suggested that the Government of India should treat this problem as one of national emergency and utilize all its resources to make up the housing shortage in the stipulated period, and should also issue quarterly reports showing the progress made with the scheme.

Agricultural labour.- The resolution on agricultural labour stressed that, whatever may be the measure of the progress the country had already made in the sphere of industrialisation or may make in the future, its economy was likely to continue, for long years to come, to be of a predominantly agricultural character. The welfare of the rural masses had, therefore, to be the primary concern

of Government and social workers. Along with such ameliorative activity as might be initiated and carried out by Government and private bodies, the INTUC should also immediately turn its attention to the needs of the rural population; the INTUC should undertake the work of organising the agricultural workers of the country.

National Federations.- The Congress directed all unions affiliated to the INTUC to get affiliated also to the National Federations in various industries recently set up by the INTUC. (Thus a union in the textile industry which has already been affiliated to the INTUC will according to this resolution, have to affiliate itself also to the National Federation for the textile industry set up by the INTUC).

Other resolutions.- Other resolutions adopted by the Congress related to grant of compensation to piece-workers operating old machinery, payment of compensation for involuntary unemployment, settlement of disputes in the services etc.

Office bearers.- Mr. Khandubhai Desai was elected President of the Congress and Mr. Harihar Nath Shastri, General Secretary, for the year 1949-1950.

The conference was addressed, among others, by Mr. K.E. Matthew, Acting Director of the Indian Branch of the International Labour Office.

(Note: A special report on this subject ^{was} has been sent to Geneva under this Office Minute No.C.1/1159/49 dated 12 May 1949).

(The Statesman, 7, 8, 9 and 10-5-1949;
Copy of Resolutions of the INTUC and
Text of Presidential Address received
in this office).

Indore Meeting of Preparatory Committee of
Asian Federation of Labour, 8 and 9 May
1949: Adoption of Draft Constitution
postponed to June 1949.

The Preparatory Committee of the Asian Federation of Labour was met at Indore City, India, on 8 and 9 May 1949, with Mr. Harihar Nath Shastri, President, Indian National Trade Union Congress, in the chair. (The Preparatory Committee was formed by the Asian workers' delegates present at the 31st session of the International Labour Conference held in June 1948, at San Francisco; for fuller particulars regarding the setting up of the Preparatory Committee, see Paragraph 31, pages 16 and 17 of the report of this Office for September, 1948).

In response to invitations issued by Mr. Devan Sen, the convener, delegates from the trade union federations of Iran, Pakistan and India were present; representatives from the trade union federations of other Asian countries to whom invitations were issued could not be present owing to reasons beyond their control, in most cases difficulty of transport. Chief among such countries are the Philippines, China, Siam, Burma, Syria and Turkey. The Trade Union Federation of Syria had, however, authorised the Iran representatives to represent Syria at the Conference. No reply was received from Ceylon.

The delegates present included Mr. Akbar Khabiri and Mr. Mohammed Arza from Iran, Hakim Abdul Gaffar Sarbandi from Pakistan, and Mr. Khandubhai Desai, Mr. Devan Sen and Mr. Abid Ali Jafferbhoy from India.

The following attended the meeting by special invitation: Mr. Irving Brown, representative of the American Federation of Labour, Mr. K.D. Jones, Labour Attache to the British High Commissioner in India, Mr. Henry Sokolov, Labour Attache to the United States Embassy in India, and Mr. K.E. Matthew, Acting Director of the Indian Branch of the International Labour Office.

Adoption of Draft Constitution postponed. - At the meetings of the Preparatory Committee held on 8 and 9 May, general support for the formation of the Asian Federation of Labour was given by all the representatives present. Mr. Devan Sen informed the Committee that, though their representatives could not unfortunately be present, letters had been received earlier from the trade union federations of the Philippines, Burma, Syria, China, Indonesia and Siam, endorsing the original appeal for the formation of the Asian Federation of Labour. Nevertheless, in view of the absence of representatives from the trade union federations of a large number of countries, the general opinion was that the formation of the Asian Federation of Labour should be postponed till the 32nd session of the International Labour Conference scheduled to meet at Geneva in June 1949 and at which

representatives from the trade union federations of almost all Asian countries would be present. Accordingly, it was decided that the draft constitution of the Federation which was to have been considered at the Indore meeting should be taken up for consideration and adoption at the June 1949 meeting of the Committee to be held in Geneva.

(Note: A special report on the subject ~~was~~ ~~been~~ sent to Geneva under this Office Minute No.C.1/1147/49 dated 11 May 1949).

(Summarised from Notes taken by Mr. K.E. Matthew at the Indore Meetings of the Committee; The Statesman and Hindustan Times of 8, 9 and 10 May 1949).

23rd Annual Session of All-India Trade Union Congress, Bombay, 28-29 May 1949: Charter of Basic Demands adopted: Decision to form new Central Organisation for Railwaymen.

The 23rd ~~was~~ annual session of the All-India Trade Union Congress was held in Bombay on 28 and 29 May 1949, with Mr. V. Chakkarai Chettiar presiding. Among the resolutions adopted ~~him~~ at the session was one embodying a charter of basic demands which included, among others, fixation of minimum wages, linking of dearness allowance with the cost of living, 7-hour day and 40-hour week, security of service, right ~~of~~ to work and guarantee against unemployment. By another resolution the meeting resolved to form a central "fighting" organisation of railwaymen in opposition to the Socialist-controlled All-India Railwaymen's Federation.

Presidential address: need for ensuring security of employment.- In the course of his presidential address, Mr. Chakkarai Chettiar appealed to all trade unions to strengthen the hands of labour and safeguard the interests of the workers, the kisan and the wage-earner. Employment and security of employment were the most important problems requiring solution by the All-India Trade Union Congress. He alleged that there was no appeal against unjust dismissal and retrenchments, and even if an

adjudicator choose to order the reinstatement of an unjustly dismissed employee, the management did not give effect to the award.

Criticism of Industrial Tribunals.- Criticising the work of Industrial Tribunals, Mr. Chakkarai Chettiar said that they had not in any way helped to meet the demands of the workers. Most of their decisions had been ~~max~~ bad and far below the needs and demands of workers and not compensating the inflationary rise in the cost of living. Even these decisions and awards were not honoured by the managements and the Government, as there was very little sanction behind them.

Living wage for workers.- The question of a living wage for the worker, was still to be decided. Even supposing a reasonable decision was ~~max~~ reached, he doubted whether it could be given effect to.

The case of tannery workers in Madras Province as in others deserved the special attention of the AITUC, Mr. Chettiar said. Unions of tanners had to face the organised opposition of individual owners. It was not at all the inability to pay, on the part of the employers that had produced this situation but the insatiable desire to amass immense gains.

Speaking on rural labour, Mr. Chettiar said that in spite of the abolition of the Zamindari System, the big landlords would remain in some disguise or other and continue to exact labour which would be paid at starvation rates, so as to keep alive the miserable peasantry in multiple numbers.

Dealing with the low standard of social morality prevailing, he warned that such a low standard of social morality indicated by this hearless greed would lead the decay and dissolution of India. Things moved ~~it~~ today with startling rapidity and the inevitable would happen, if the foundations of India's social order were not based on justice, righteousness, true economic freedom, curtailment of insensate greed and profit-making, and all the wellknown tricks of the market-place.

Role of A.I.T.U.C.- Mr. Chettiar referred to the work done by the All-India Trade Unions Congress during the last quarter of the century and said that in spite of the rival organisation sponsored by the present reigning political party with its immense resources he ~~said~~ was sure that the real heart of the working classes was with the A.I.T.U.C., because it was the only organisation that had stood the test of time and fought in many a field. Accusing the Indian National Trade Union Congress of allying itself with the powers that be, he held that the IATUC had really betrayed the cause of labour inasmuch as it had not protested against the detentions and arrests of labour leaders.

Resolutions.- The following are the important resolutions adopted at the session:-

Charter of basic demands.- The meeting adopted a 11-point Charter of Basic Demands for workers which included a demand for minimum wage of 80 rupees for unskilled workers and 125 rupees for clerks, dearness allowance neutralising the rise in cost of living, security of service, right to work, seven-hour day and 40-hour week, 50 days' privilege leave and 30 days' sick leave with pay, guarantee against unemployment, four and half months' bonus with dearness allowance to workers in every industry, right of trade union work in factories, release of political detenus and repeal of repressive legislation.

New Central union for railwaymen.- It was resolved to form a central "fighting" organisation of Indian railwaymen in opposition ~~to~~ to the existing Socialist-controlled All-India Railwaymen's Federation. The resolution said that the Socialists had "betrayed" the 350,000 workers - who had decided to go on strike on March 9 - by refusing to declare a strike, (vide paragraph 31, pages 15-17 of the report of this Office for February 1949). Despite the temporary suppression of the strike, no problem had been solved and not a single demand of the workers had been met. To implement this decision the session resolved to call a special conference of railwaymen unions, affiliated with the AITUC, in Calcutta early in July.

Unemployed workers to be organised.- By another resolution it was decided to set-up organisations of unemployed workers in every province and district. The resolution demanded that every employed person must be given a job, and during the period he was unemployed, he should be given a regular minimum wage of 55 rupees per month, dearness allowance and other facilities. Security of job had disappeared altogether and nearly as 10 million of working people, comprising workers and their families, were without jobs and on the verge of literal starvation. Further, the ~~employers~~ employers attempted to use the unemployed as a reserve to break strikes and thus tried to emasculate the class struggle of its strength.

Formation of INTUC criticised.- The session passed a resolution condemning the formation of the Indian National Trade Union Congress as "the fifth column of the Socialists and the Congress Government created to disrupt the working class from within and confuse the mind of the middle class and prevent strikes". The resolution said that the figures of membership claimed by the INTUC was entirely false and made only with a view to "representing labour at international conferences and ~~to~~ mislead public opinion abroad at the dictates of the Government". The resolution also condemned the Asian Federation of Labour proposed to be organised by the INTUC.

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Restrictions on right to strike: Public Security Acts and Industrial Disputes Acts condemned.- By a resolution the session condemned the Public Security Acts and Industrial Disputes Acts, which had imposed restrictions on the workers' right to strike and given unlimited powers to the police to arrest workers and detain them without trial. These Acts, the resolution added, sought to paralyse the whole trade union and peasant movement.

Another resolution adopted at the meeting condemned the continued detention of trade union leaders and urged their release or proper ~~trial~~ trial.

Office-bearers.- The following were elected office-bearers for the coming year:- President, Mr. N. Chaldarai Chottiar and General Secretary Mr. S.A. Dange.

(The 22nd annual session of the All-India Trade Union Congress was reported at pages 62-64 of the report of this office for February 1947).

(The Bombay Chronicle, 30 and 31-5-1949;
The Hindu, dated 29 and 30-5-1949).

Pakistan: Meeting of Eastern Pakistan Trade Union Federation, Dacca, 2 May 1949: Name changed to All-Pakistan Trade Union Federation.

A conference of the Eastern Pakistan Trade Union Federation was held in Dacca on 2 May 1949. The session, which was presided over by Dr. A.M. Malik, Labour Minister, East Bengal, by a resolution redesignated itself as the All-Pakistan Trade Union Federation.

Mr. Mandal's address: need for better capital - labour relationship.- Mr. J.N. Mandal, Minister for Labour, Pakistan Government, addressing the conference emphasised the need for better relationship between capital and labour. It was necessary that a change in outlook must be brought about by both capital and labour in view of the attainment of freedom and disappearance of foreign domination. While expressing the deepest sympathy of the Government for the working classes, Mr. Mandal advised them not to resort to strike for settling ~~the~~ industrial disputes until they had exhausted all possible measures, specially the efforts of the Government to bring about conciliation between the workers and employers, whenever such disputes arose.

Mr. Faiz Ahmed's address: Government's policy - criticised.- In the course of his address, Mr. Faiz Ahmed, General Secretary of the East Pakistan Trade Union Federation traced the development of the Federation since its formation in 1947. During the last eighteen months, the Federation had made rapid progress and

claimed a total membership of over 100,000. The Federation had been recognised by the Government both at the Centre and in East Bengal as the only representative body of the working classes in East Pakistan. The Government had also accepted the recommendations of the Federation in appointing Mr. Aftab Ali to represent workers and Dr. A.M. Malik the Government as Pakistan delegates to the 31st General session of the International Labour Organisation conference held at San Francisco in June 1948.

Referring to the grievances of the working classes, Mr. Faiz Ahmed said that in East Pakistan cotton mill workers were the worst sufferers, getting low wages and as a result of this many cotton mill workers in East Pakistan had to go to the Indian Union in search of employment. Referring to the jute industry, Mr. Faiz Ahmed said that over 100,000 workers were employed at Narayan-ganj and other places in East Pakistan and were in urgent need of better wages and other amenities. Similarly there were over 120,000 labourers in the tea gardens, whose conditions of service were far from satisfactory.

He criticised the Government and the railway administration for not providing better conditions of service for their employees, which were in some cases even worse than those under private employers. He also strongly criticised the conditions of service in the Government dockyards and in the Post and Telegraph Departments administered by the Central Government.

Mr. Faiz Ahmed also referred to the hardships of over 100,000 oceangoing seamen of Pakistan, who were not yet being recruited from Pakistan ports but continued to be recruited at ports in India and hoped that negotiations would be carried on by the Pakistan Government with British shipowners on the subject with resulting advantage to Pakistan seamen.

Resolutions.— By a resolution, the Federation decided to redesignate itself as the All-Pakistan Trade Union Federation. Another resolution assured the Government of conducting trade union affairs on recognised lines and lending every possible support in ensuring industrial peace and progress in Pakistan.

Office-bearers.— The conference elected Prof. Azimuddin as President and Mr. Faiz Ahmed as Secretary for the next year.

(Dawn, dated 4-5-1949;
The Civil and Military Gazette, 3-5-1949).

Eighth Annual Conference of Ceylon Indian
Congress Labour Union, Hatton, 26 April,
1949: 15-Point Demand for better working
Conditions.

The eighth annual general meeting of the Ceylon Indian Congress Labour Union was held at Hatton on 24 April 1949, Mr. K. Rajalingam presiding. The session passed unanimously a resolution embodying a 15-point demand for the amelioration of the working conditions of Indian labour.

Presidential address: restrictions on right of association criticised.- In the course of his presidential address, Mr. K. Rajalingam said that the living conditions of resident workers on estates militated strongly against the free effective exercise of the right of association and assembly. While Government and employers had repeatedly asserted their willingness to encourage healthy trade unionism, amongst workers their attempts had been "tainted with patronage and condescension". Besides employers wanted their own brand of "healthy" and "recognised" methods. It was a mockery to speak of freedom of association and assembly when workers could not hold meetings and receive representatives of their union without permission from the employers. Discharge certificates were used for black-listing, while superintendents and their subordinates at times victimised labourers who joined trade unions or were active in union work, particularly in times of labour troubles.

Referring to retrenchment on rubber estates, he said that every practical suggestion offered by the Ceylon Indian Congress Labour Union had been treated with contempt. If retrenchment was necessary the impact on labeling it on alternative cultivation or the land should be leased to the labourers on agreed terms to enable them to earn a living.

Resolutions.- The meeting passed unanimously a resolution setting out a 15-point demand for the amelioration of their economic conditions. This demand included among others, full rights of association, organisation, and of assembly and all facilities for the effective exercise of such rights; a basic wage of 1.50 rupees per day; provision for adequate maternity and sickness benefits, invalidity, unemployment and old age pensions; an agreed machinery and procedure for resolving difficulties and disputes; arbitration into allegations of victimisation; maintenance of facilities for medical aid, supply and procurement of food and credit facilities during strikes and trade disputes as long as workers were on the estates;

Right of entry into estates for officers of the union for inquiry purposes (after informing the authorities) and twice a year for holding meetings

~ should be
by employing

(on 24 hours' notice); prohibition of black-listing of workers by the Ceylon Estates Employers' Federation; an increase of ~~25~~ 10 cents in the basic wage of labourers in the tea industry and a corresponding increase in the special allowance as from 1 January 1949; A maximum daily green-leaf plucking figure of 25 lbs. any excess to be paid for at a rate equal to the month's minimum wage rate per day including the special allowance; free supply of milk or suitable food in adequate quantities to all children under 18 months on estates; and consultation with the Union before retrenchment of labour or increase of hours of work or variation of task is decided on.

Office-bearers.-- The following office-bearers were elected: President: Mr. K. Rajalingam and Secretary: Mr. C.V. Vellupillai.

(The 1948 annual conference of the Ceylon-Indian Congress Labour Union was reported at pages 87-88 of the report of this Office for May 1948).

(The Times of Ceylon, 28-4-1949;
The Statesman, dated 26-4-1949).

Working of the Indian Trade Unions Act in Madras during 1947-48.

Number of unions.-- According to the report on the working of the Indian Trade Unions Act, 1926, in the province of Madras during the year ending 31 March 1948, there were 586 unions on the register at the beginning of the year. 216 unions were registered under the Act during the year and the registration of 70 unions was cancelled for failure to submit the prescribed annual return. The total number of unions registered since the commencement of the Act up to 31 March 1948 was 779 of which 551 unions were actually on the register at the end of the year 1947-1948.

Membership.-- The total membership of the registered unions at the end of the year was 512,084 as against 229,830 for the previous year.

Agricultural unions.-- There was one agricultural union on the register at the beginning of 1947-1948. Two unions were registered during the year. The number of agricultural unions at the end of the year was 5. Only two of these unions submitted their returns for the year 1947-48. The total membership of these unions at the end of the year was 375.

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Assets.- The balance in the general fund was 507,749 rupees as against 345,126 in the previous year.

138 unions availed themselves of the concession of free official audit as against 119 in 1946-47.

(The report on the working of the Act for the year 1946-47 was summarised at paragraph 51, page 14 of the report of this office for January 1948).

(Government of Madras, Development Department, G.O. No. 6348, dated 24 December 1948).

Burma: The Trade Unions (Amendment) Act, 1949 (Act No. XVI of 1949).

The Trade Unions ~~(Amendment) Act~~ Bill, 1949 (vide page 19 of the report of this office for February 1949) was signed by the Provisional President of the Union of Burma on 8 April 1949 and has been gazetted as the Trade Unions (Amendment) Act, 1949.

(The ~~Bur~~ Burma Gazette, Part-I, dated 23 April, 1949, pages 247-268).

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33. Employers' Professional Organisations.

India - May 1949.

12th Annual General Meeting of the Employers'
Association of Northern India, Kanpur, 28 April
1949.

The 12th annual general meeting of the Employers' Association of Northern India was held at Kanpur on 28 April 1949; Mr. H. Jackson presided.

Presidential address: Works Committees criticised.-

In the course of his presidential address, Mr. Jackson referred to the implementation of the recommendations of the United Provinces Labour Enquiry Committee (vide paragraph 46, page 38 of the report of this Office for December 1948), whereby the minimum wage for unskilled labour was fixed at 30 rupees per mensem and certain other grades of workers were given increases, and said that though the Government's order was simple it was the interpretation which proved a most complicated business. But finally, in consultation with the Labour Commissioner, the problem was solved but not to every one's satisfaction. Although cotton and woollen mills wage bills were increased by approximately 45 per cent, no one was happy, including the employer as, in applying the order, it was found that there were several anomalies which had the effect of benefiting the lazy worker ~~in~~ at the expense of the good worker and which led to "go slow" practices in the primary departments of mills. The cause was largely due to the ~~present~~ introduction in industry of what was described as the "personal wage". It was extremely difficult to understand the reason for this innovation. A plain straightforward increase would have been much more readily understood and satisfactory to all concerned. However, the problems connected with the "personal wage" were being examined by a sub-committee of the Association and the Suti Mill Mazdoor Union and it was hoped, in the near future, to submit a joint representation to Government with a view to straightening matters out.

Recognition of trade unions.- In order to give effect to the Industrial Trade and in an endeavour to establish harmonious relations between labour and employer, a sub-committee of the Association, as far back as January 1948 met the representatives of the Suti Mill Mazdoor Union and discussed various problems including the recognition of Trade Unions by employers. Later, in June 1948, a meeting was arranged with the representatives of Indian National Trade Union Congress and the Suti Mill Mazdoor Union in consequence of which

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provisional voluntary recognition was accorded to Indian National Trade Union Congress and affiliated trade unions. It was gratifying that as a result of these meetings, conferences between union officials and the Association became a regular feature and the prospects of settling many disputes by negotiation as opposed to references to conciliation were particularly bright; but, Mr. Jackson regretted that contacts became less frequent.

Labour relations.— Though there were fewer strikes in 1948 than in the previous year, but it did not follow that this was in consequence of improved relations between labour and employer. The majority of employers adopted a policy of appeasement which, coupled with the overgenerous quantum of dearness allowance, gave the impression of an improvement in the situation. Unfortunately, a section of labour regarded appeasement as weakness and took full advantage of it to foster alleged grievances and generally create a feeling of discontent. Employers were, in effect, required to contend with a "war of nerves" which might at the slightest provocation have resulted in widespread strikes.

Working of works committees criticised.— Referring to the introduction of works committees, Mr. Jackson said that they had not improved matters. In the beginning they functioned satisfactorily and with a degree of co-operation. Unfortunately the original members did not appear to satisfy the more militant members of their unions and what might be described as disturbing elements replaced a percentage of the original members in several of the more important industrial establishments. These new members appeared to be connected with mill committees which sat in judgment on the agenda, minutes and proceedings of works committees with the result that there had been a definite deterioration in the functions of the works committees. Employers had made every endeavour to assist and support the works committees, but their efforts were largely frustrated, by ~~Employers had made every endeavour to assist and support the works committees, but their efforts were largely frustrated, by~~ the disturbing or dominating elements subsequently drafted on to works committees. Items, which were entirely outside the scope of works committees, were placed on agenda. More recently agenda containing innumerable items became popular, and, although agenda were required to be prepared by the Secretary in consultation with the chairman, the rule was observed more in the breach than in the observance in that agenda were prepared by the "domineers" and the chairman was not privileged to query any item. The difference between agenda and minutes either could not or would not be appreciated and it was extremely difficult if not impossible to obtain a true recording of proceedings at meetings. Matters which had not even been discussed appeared in the minutes. ~~Matters~~ The provision in the recent order whereby all members are required to sign the minutes had given rise to considerable delays in the preparation and submission of minutes in that each member had his own views and insisted on these views being recorded. Other points stressed by

Mr. Jackson were that a time limit should be placed on the length of meetings, and that only monthly meetings should be held.

The cumulative effect was that managements and staffs were unable to function with that degree of efficiency which was not only desirable but essential if production was to be maintained. Unfortunately production, as might be expected under such conditions, was adversely affected. There was a general feeling of frustration which evidenced itself in the fact that a number of technicians left the province for other centres where conditions were of a more satisfactory nature. It was an undoubted fact that there was a dearth of qualified and capable technicians and it behoved one and all to ensure that conditions of service were such as to encourage the remaining technicians to stay.

Restriction on employer's rights.— Referring to the Government order of 6 December 1948, Mr. Jackson said that it restricted the inherent right of employers to dispose with the services of workmen without prior reference to the Labour Commissioner. Full advantage was taken of this clause by the various trade unions, with the result that every application was almost invariably referred to a conciliation board. Young men of limited experience presided over these boards, but as almost invariably the labour or employers' representatives on the boards disagreed with the findings, the presiding officer became, in effect, the board. This was not the intention. One must admit that the presiding officers were often placed in a difficult position as a result of the adamant attitude of labour, but that was no reason why the tendency should have been to favour one side at the expense of the other. The substance of the situation has undoubtedly been to temporarily placate a section of labour which formed the minority and thus add to the worries of the management.

More recently the Federal Court has ruled that Industrial Courts may order the reinstatement of dismissed workers (vide paragraph 68, page 49 of the report of this office for March 1949). Thus, the employers' inherent right had been taken away at a time when employers needed every support to discourage indiscipline and further their productive efforts. Nothing was now left of the contractual basis of the employer-employee relationship in industry. However it was a good omen that the Central Government had decided to assume constitutional powers to instal an appellate tribunal which could help to lay down principles for a settlement of industrial disputes.

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Annual Report.- An annual report containing inter alia, information about the conditions of work of labourers employed in factories controlled by the Association during 1948 was presented to the annual session. The following details are taken from the report.

Number of workers.- The total aggregate labour force employed by member-concerns of the Association for the year 1948 was 123,618 as against 119,120 during 1947. Of this the total labour force employed by Kanpur members was 71,575 as against 75,698 in the previous year. As regards outstation members, the total labour force in 1948 was 52,243 as against 43,422 in 1947.

Labour complaints.- The total number of labour complaints received during 1948 was 1,859 as against 2,375 during the previous year. There was a decrease of 21.32 per cent in the number of complaints as compared with the year 1947. The report states that practically all the complaints were received through the Government Labour Office and that of these the majority were from workers direct. The complaints recorded by unions also showed some increase. It is further stated that workmen continued to make full use of the conciliation machinery provided by Government.

The total number of cases heard by the Labour Commissioner was 1,280 against 2,228 in 1947. Of this 1,278 were disposed of. The findings in 83.30 per cent of the cases were in favour of the Association, in 12.01 per cent against and in 4.69 per cent neutral.

The number of cases referred to adjudication fell to 38 as against 81 in the year 1947. The report states that by far the greatest number of cases were dealt with ~~in~~ in conciliation proceedings in accordance with the arrangement by the Association with the provincial Government in July, 1948.

In May, 1948, conciliation boards, a provincial conciliation board and industrial courts were set up for the settlement of disputes in the sugar, textiles and hosiery, leather, and glass, and electricity and engineering industries, (vide paragraph 67, pages 70-71 of the report of this Office for May 1948). The number of cases disposed of by the regional conciliation boards were 144, out of which 108 cases were in favour of the Association and 15 cases against the Association and 2 cases being either withdrawn or cancelled. The number of cases pending disposal being 19. The number of cases disposed of by the provincial board were 9, of which 1 case was in favour of the Association, 1 case against, 5 cases being either withdrawn or cancelled and 2 pending. The number of cases disposed of by industrial courts was 28, out of which 8 cases were in favour of the Association, 2 cases against the Association and 1 case having been cancelled. The number of cases pending disposal was 17.

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Labour Bureau; placement record.— The number of Workmen, registered in the Association's Labour Bureau during 1948 was 2,823 as against 6,453 in the previous year, and the number for whom employment was found was 1,975 as against 5,350 in 1947. The percentage of men from United Provinces, was 95.82 per cent as against 98.7 per cent in 1947. As the necessity for the Bureau no longer arose, it was closed with effect from 30 June 1948.

The percentage of literacy among the workers registered fell from 37.59 in 1947 to 34.13 in the year under review.

Labour situation; Number of strikes.— The total number of strikes in all member-concerns of the Association for 1948 was 44 as against 76 in 1947, out of which 19 were in Kanpur. The number of workers involved was 87,873, against 92,411 in 1947, number of man-days lost 339,268 against 1,013,416 in 1947 and amount of wages lost was 951,127 rupees as against 1,883,739 rupees in 1947. The corresponding figures for Kanpur were 47,929 persons, 262,010 mandays and 816,013 rupees respectively.

Analysed industry-wise 56.82 per cent of the strikes occurred in the cotton industry, 2.27 per cent in woollen industry, 2.27 per cent in hosiery industry, 2.27 in leather industry, 6.82 per cent in oil industry, 6.82 per cent in iron and steel industry, 11.37 per cent in tobacco industry and 11.37 per cent in other industries. Out of the total number of strikes 41 were launched without giving any notice.

Absenteeism in industry.— The absenteeism including leave was 16.12 per cent in the cotton industry, 10.70 per cent in the woollen, and 8.06 in the leather industry.

War dear food allowance, gratuity and supply of foodgrains.— The highest cost of living index figure recorded till the end of the year under review was 558 in September which was an increase by 138 points on the highest figure recorded, in October during 1947. The payment of war dear food allowance was based on the working class cost of living index number at Kanpur. The scales of Kanpur and some other out-station members who were supplying subsidised grains to their workers, in accordance with the Association's prices, were linked with the subsidiary cost of living index number while the rest were linked with the general cost of living index number. Since 1 December 1948, ~~members~~ all cotton, woollen and leather members of the Association were paying dear food allowance to their workers in accordance with the scale prescribed by the Government order in implementation of the United Provinces Labour Enquiry Committee Report.

Since the lifting of controls on grain in May 1948, the general cost of living index ~~number~~ figure soared up by leaps and bounds and within five months it reached the highest, viz., 558 points. It was at this stage that the Association had to decide voluntarily that they were

not prepared to pay dear food allowance beyond 560 points and intimated their decision to the provincial Government accordingly.

In March, 1948 the committee of the Association recommended that members who were in a position to do so should pay gratuity at a rate not exceeding 4 annas in the rupee calculated on the 1938 basic wage, those whose trading results in 1947 did not admit of the maximum pay should grant gratuity commensurate with their trading results for that year and those who had adverse trading results should not be required to pay gratuity to their workers.

As a result of de-rationing from May 1948, the Association closed down mill grain-shops and workers were given dear food allowance on general cost of living index number. In September 1948, the Association was asked by Government to consider re-introduction of industrial rationing; but while the Association was fully prepared to co-operate with Government in any effort to combat inflation it considered the scheme impracticable more specially in view of the procurement problem over which the employers were unable to exercise any influence. The total cost of purchases by members during the year 1948 amounted to 2,816,448 rupees as against 17,705,312 rupees during 1947.

(The ~~Annual~~ Annual Report of the Association for the year 1947 was summarised at paragraph 33, pages 14-17 of the report of this office for November, 1948).

(Text of Presidential Speech of Mr. H. Jackson at the 12th Annual General Meeting of the Employers' Association of Northern India and Twelfth Annual Report of the Employers' Association of Northern India, Kanpur, received in this office)

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CHAPTER 4. ECONOMIC QUESTIONS.

INDIA - MAY 1949.

41. Industrial and Mining Productions.

India: Machine Tool Factory to be set up:
Agreement signed with Swiss Firm.

The Government of India has entered into an agreement with the Oerlikon Machine Tool Works Buchler and Company, Zurich-Oerlikon, Switzerland, for the establishment in India of a factory to manufacture machine tools. The capital cost of the factory is estimated at 120 million rupees and the value of the production at 70 to 80 million rupees a year. The factory is expected to be completed within a period of four years.

Technical training for Indian Personnel.— The agreement provides inter alia that the Swiss firm will render all technical assistance in the matter of erection of the factory, the training of Indian personnel and direction and supervision of the production of the factory for twenty years from the date the production starts. They will also have a small financial interest in the project. The Swiss firm will train Indian workmen, engineers and other technical personnel required for the factory, in Switzerland. The Government of India will meet only the travelling and living expenses of these trainees and no fees for training will be charged. The firm will also set up a training school in India for the purpose of training Indian workmen, engineers and other technical men required for the factory and provide the necessary expert personnel and equipment to train such men. They will endeavour to train Indian personnel in such a way that within a period of ten years from the date of the starting of the factory, there would be sufficient number available to hold not less than 85 per cent of the technical posts in the factory.

(The Hindustan Times, 26-4-1949)

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42. Production and Export of Agricultural Products.

India - May 1949.

India: Conference of Ministers of Food and Agriculture, 30 April and 1 May 1949:
Central Government urged to undertake Enquiry into Cost of Cultivation.

A conference of provincial and State Ministers of Food and Agriculture was held in New Delhi on 30 April and 1 May 1949; Mr. Jairamdas Daulatram, Minister for Food and Agriculture, Government of India, presided. The session was attended by Food Ministers from various provinces and States and States Unions. The conference, among other things, suggested that the Government of India should undertake, as early as possible, a scientific enquiry into the cost of cultivation.

Mr. Jairamdas Daulatram's address.— Addressing the conference, Mr. Jairamdas Daulatram said that the conference had been convened to consider the problems of kharif grain prices which had to be governed by three considerations, namely, (1) fulfilment of the self-sufficiency plan ~~was~~ within the allotted period ending in December, 1951; (2) a gradual reduction in the cost of living in which food grain prices play a very important part; and (3) increasing the production of cotton to meet the present shortage. He emphasised that the three-year food programme could not be postponed or curtailed where as in the matter of cloth some adjustment was possible. This did not imply that the country could afford to give up its goal of self-sufficiency in cotton which had become necessary as a result of the loss of large areas under medium/staple cotton to Pakistan. But the top priority was for the programme of food self-sufficiency by 1951.

Recommendations: kharif foodgrain prices.— The Conference recommended to the Government of India that the price levels for both kharif grains and cotton should be fixed after the prospects of the crops were known. It was felt that it was too early to determine the prices at present.

Cotton production.— The conference generally agreed that all encouragement should be given to grow better varieties of cotton and cotton prices should be fixed in a manner which, while bringing into cultivation lands which were formerly under cotton but are at present lying fallow, would not divert land from foodgrains.

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Food production plans.— The Ministers exchanged views and experience regarding food production plans in the different areas and suggestions were made to stimulate efforts for achieving the goal of freedom from imports of foodgrains by December, 1951. It was generally stressed that the two main bottlenecks of supply of materials such as iron, steel, cement and coal and facilities for movement of these materials should be removed. The Ministers expressed their confidence that with the co-operation of the Central Government, the 1951 target could certainly be achieved.

Enquiry into cost of cultivation.— It was agreed that the Government of India should undertake as early as possible a scientific enquiry into the cost of cultivation, though it was recognised that this was likely to take some time. Pending the result of such investigation, the present system of fixing prices after considering the conditions prevailing in different areas, the desirability of reducing the cost of living and the paramount need for increasing food production might be continued.

(The Hindustan Times, -1 and 2-5-1949;
The Hindu, dated 2-5-1949).

Pakistan: East Bengal Agriculture Conference,
Dacca, 17 May 1949: Suggestions for increasing
Food Production.

The East Pakistan Agriculture Conference, held in Dacca on 17 May 1949 was inaugurated by Mr. Abdus Sattar, Minister for Food, Agriculture and Health, Government of Pakistan. The session was attended, among others, by the East Bengal Ministers of Finance, Agriculture, Irrigation, Rehabilitation and Revenue.

More lands to be brought under cultivation.— The conference discussed various schemes which East Pakistan had undertaken to increase food production. It was decided that at least two-thirds of the 270,000 million of culturable waste and 180,000 million of fallow lands, amounting to about 300,000 million acres, should be brought under cultivation, and that the province should, as a first step, import 100 tractors with necessary equipment, at an early date. The Food Minister suggested that a detailed scheme should be submitted to the Central Government. It was further decided that the 79 irrigation, drainage and embankment schemes now on programme of the Irrigation Department should be vigorously attended to.

With regard to research in agriculture, the conference decided that the Provincial Government should expand its programme of research and should inform the Centre of its requirements of technical personnel.

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Central Jute Committee to be set up.— The conference further decided that a Central Jute ~~Committee~~ Committee for Pakistan ~~and~~ should be constituted with headquarters in Dacca and that a section of Forest Research Institute of Pakistan should be established in East Pakistan. It was also decided that the Central Government should undertake survey of the marine fish resources of East Pakistan at an early date.

('Dawn', dated 21-5-1949)

Bombay: Village Food Production Committees
to be set up.

The Government of Bombay, in pursuance of its declared policy of making the province self-sufficient in food in as short a period as possible, has decided to set up forthwith agencies at taluka headquarters and in all villages, which will give practical shape to the various "grow more food" schemes.

The agencies at taluka headquarters will be known as Taluka Development Boards and will consist of the Mamlatdar (chairman), the Agricultural Assistant, the Assistant District Co-operative Officer, the Range Forest Officer, the Veterinary Assistant Surgeon and not more than three non-official persons who are known to be taking an active interest in the campaign. These Boards, the term of office of which will be up to March 31, 1950, will act as agencies of the District Development Board concerned in all matters pertaining to agriculture and rural development and especially in regard to the "grow more food" campaign.

The agencies in villages will be known as Village Food Production Committees and will consist, except in those villages where one or more agricultural co-operative societies exist, of the talathi, the patil of the village, the village primary school teacher, if any, a representative of the village panchayat, if any, and three representatives of the cultivators of the village to be nominated by the Mamlatdar. In a village having an agricultural co-operative society the managing committee of the society will function as the village food production committee.

Functions.— The functions of these village food production committees are the following: to prepare concrete plans for stepping up food production in the village; to prepare a programme for each season for bringing as much area as possible under food crops; to prepare plans for bringing under cultivation fallow lands; to supervise the utilisation of composting

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material and digging of compost pits and preparation of compost; to prepare a programme for the digging of new wells, repairing of small irrigation tanks and old wells and repairing and construction of small bandharas; to select reliable cultivators for the multiplication of improved seeds for sowing in the village in the subsequent season; and to supervise the harvesting of crops grown out of improved seeds for the purpose of seed multiplication.

(The Times of India, 21 May 1949).

India: Subsidiary Food Production Committee
appointed.

The Government of India has already announced their policy of securing freedom from dependence on imports of foodgrains by the end of 1951 and action is being taken separately to intensify foodgrain cultivation with a view to increase production as rapidly as possible. Cereals form a much larger proportion in the diet of the people in India than they do in most other countries and the Government feel that if this dependence on cereals could be reduced even by a small percentage, the need for imports from overseas would be proportionately reduced. Some of the root crops like sweet potatoes and tapioca and fruits like bananas, papayas etc., give a very high yield per acre and are acceptable foods of high nutritional value. So far sufficient emphasis has not been laid on their production and utilisation. The Government of India has, therefore, decided to set up in the Ministry of Food a "Subsidiary Food Production Committee" for this purpose.

Before any large scale scheme of this type can be undertaken it would be necessary to study a number of technical and other problems regarding storage, keeping quality, palatability, dehydration, cost etc. In the first instance the Subsidiary Food Production Committee will undertake its work on an experimental basis but on a sufficiently large scale and place before Government by the end of January 1950, its conclusions on the feasibility of the scheme, the extent to which and the form in which it should be expanded and the likely cost involved, so that, if large scale production has to be undertaken, arrangements, could be made in sufficient time for the expansion of production in 1950.

The Committee will consist of 3 members with the Minister for Food and Agriculture as its Chairman.

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A sum of 1 million rupees is being placed at the disposal of the Committee, in the first instance, to enable it to undertake the work entrusted to it.

(The Gazette of India, Part I, Section 1, dated 14 May 1949, page 620).

(The Hindustan Times, dated 14-5-1949).

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45. Foreign Trade and Exchanges.

India - May 1949.

India: Rise in Value of Export Trade:
Chief Controller of Exports' Review
For the Year 1948.

India's exports in 1948 recorded a substantial rise in value - 4,200 million rupees, compared with 3,780 million rupees in 1947 and 2,490 million rupees in 1946, states a review of India's export trade during 1948 by the Chief Controller of Exports. Much of this increase is attributable to high prices, but it should be noted that while the figure for 1948 relates to the Indian Union's exports alone, figures for periods prior to 15 August 1947, relate ~~partly~~ to undivided India. Commodities, export of which figured in the 1948 increase, were, jute manufactures, cotton piecegoods, seeds, lac, mica, groundnut oil, linseed and castor oil. Where declines are recorded, circumstances arising from the partition of the country ~~and other factors~~ were mainly responsible; but in the case of exports of manganese ore, lack of transport was the main reason.

Exports for Dollar areas. - The review states that the need for earning dollars is an important aspect of the export drive. In 1948, approximately 50 per cent of India's total exports went to hard currency countries. The United States of America alone took about 66 per cent of this amount. Jute and jute manufactures figured prominently, accounting for nearly 70 per cent of the exports to "hard" areas.

Future development of export trade. - The review states that with an unfavourable balance of trade, the emphasis has to be laid on stimulating, rather than controlling, exports. The sellers' market has gone for ever, it seems and with growing competition, unless the change of emphasis from control to development is immediately and fully given effect to, India's markets may turn to other sources of supply. A certain amount of directioning of trade, for instance to hard currency areas, would no doubt be necessary, but it will have to be within the framework of maximisation of exports as the basic policy. Government's touch with the trade after decontrol of a commodity should be maintained by the formation of a small representative body of exporters in that line from whom information regarding trends of trade as well as any difficulties experienced might be gathered. Greater liaison between Indian Trade Commissioners abroad and exporters at home, imposition

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of some form of qualitative control and better transport facilities are other directions in which Government can assist the trade to maintain exports.

Export trade in cotton goods.— Dealing with the export of cotton piece-goods, the review states that growing competition from other sources made it difficult last year for India to sell her export quota of cotton piecegoods. Against a total of 350 million yards of mill-made cloth earmarked for export during 1948 to countries other than Pakistan, only 167 million yards were exported by sea and 13 million yards by land. If exports to Pakistan and those of handloom cloth were added to these figures, 309.5 million yards would represent the total export of piecegoods in 1948, whereas the target of export to all countries was 750 million yards. In 1947, total exports amounted to 247 million yards, but in that and previous years, yardage going to the territory now included in Pakistan was not shown in the foreign trade statistics. Figures for other years were: 327 million yards in 1946, 437 million yards in 1945 and 442 million yards in 1944. There has thus been a steady downward trend in the export of cotton piece-goods which cannot but be a matter of concern.

The actual offtake country-wise was disappointing and some of the best markets failed to lift their quotas in full. Thus, British-East Africa, the largest buyer of Indian cloth, took in 1948 only 29 million yards against its quota of 40 million yards. Australia, with a similar quota, took 20 million yards. Ceylon and Burma, however, exceeded their quotas largely on account of the free export of handloom cloth. In the year under review, it became apparent that with the return of a buyers' market and with effective demand tending to be lower than supply, the time had come for de-control of cloth exports.

Jute exports.— As regards exports of jute goods, the review says that while qualitatively jute goods are still the best packing medium, any further rise in prices must have the most serious repercussions on the future of this trade. Already jute goods are being used in the world far less freely than before, even when supplies are available. It is, however, a matter of satisfaction that, in spite of a rise in price, total exports of jute goods in 1948 were higher than in 1947. Its main consumers were the United States of America, 215,000 tons; Australia, 116,000 tons; the United Kingdom, 102,000 tons; Argentina, 72,000 tons; Cuba, 38,000 tons; Egypt, 37,000 tons; Canada, 27,000 tons; and China, 20,000 tons.

Other exports.— Export of raw hides of certain types was banned last year except to hard currency countries. This was due to the increasing demand of Indian industry. Tanned hides and skins, however, remained free from export control, but there was a decline in exports. With the removal of export duties on oils and oil seeds, there are signs that exports to the market of Europe, including Switzerland, are

proceeding satisfactorily. The western hemisphere, however, is still not interested owing to the availability of cheaper supplies against dollars.

Concluding the review states that a development that seriously affected the administration of export control in 1948 was the end of the Standstill Agreement with Pakistan. In consequence, all export licensing restrictions became applicable to the movement of goods from India to Pakistan. Moreover speculators tried to secure licences and to cash in on scarcities which controls had created on the other side of the border. Absence of the official records showing people who were genuinely engaged in trading between the territories concerned rendered the task more difficult. The position, however, improved gradually and, with the recent liberalisation of export policy, particularly as far as Pakistan is concerned, it is expected that matters will further improve.

(The Hindu, dated 8-5-1949).

India: Import Policy revised: Restricted List of Imports from Soft Currency Areas .

The Government of India has suspended the Open General License which was issued in July 1948 (vide paragraph 43, page 15 of the report of this Office for July 1948) to facilitate larger imports of industrial and consumer goods from soft currency areas, and has issued another Open General License with a restricted list of commodities which could be imported without licence from soft currency areas, provided the commodities are manufactured or produced in those areas. This step has been taken because commercial imports during the last few months have been so large that they, together with heavy imports of food grains, have brought about an adverse balance of trade.

Principal commodities included in the revised Open General License are: asbestos manufactures; ball and roller bearings; jute mill stores (excluding bobbing and pickers); cotton textile machinery and spares (with the exception of spinning machinery looms, bobbins and pickers and hosiery machines); coal tar dyes; condensed and powdered milk; spices; cement; all sorts of mineral oil excluding white oil; raw film; certain pharmaceuticals; raw materials for manufacture of paints; cotton and woollen yarn and fabrics; artificial silk yarn; pulses other than gram; component parts of wireless sets; motor vehicle parts; printing machinery; agricultural implements and certain scientific instruments.

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A press note issued by the Ministry of Commerce in this connection stated that restrictions on imports from soft currency areas were considerably liberalised during the latter part of 1948. These measures were taken partly as a result of the easier foreign exchange position and partly with a view to facilitating a larger supply of industrial and consumer goods to the country. While the ~~measures~~ issue of the Open General Licence and other measures of relaxation of import control had resulted in an increased supply of industrial goods in stabilising price levels and in checking the inflationary forces in the country imports during the last few months had been so large that there had been a heavy adverse balance of trade during these months, especially as, in addition to commercial imports, imports of food grains had also been heavy. The Government of India had been watching the effect of these measures on their foreign exchange position and it now considered that the time had come for the liberal import policy to be revised. Accordingly the list of articles now covered by the Open General Licence issued in July 1948 is reviewed, and consequently the open General Licence issued in July 1948 had been suspended.

(The Statesman, dated 7-5-1949;
The Hindustan Times, 20-5-1949;
The Times of India, 5-5-1949).

India: Trade Agreement with ^{Egypt}Finland Signed.

A trade agreement between India and Egypt, providing inter alia the grant of "most-favoured" nation treatment to each other, was signed by representatives of the two Governments at New Delhi on 10 May 1949.

A statement issued by the Ministry of Commerce on the agreement lists six articles of import from Egypt to India and 25 commodities of export to that country from India, but does not specify their quantity or value. Exports from India will consist, among others, of jute goods, tea, tobacco, groundnut, groundnut oil, pig iron, cutlery, electrical goods and apparatus, sanitary ware, rubber goods, woollen goods, drugs and medicines, pottery, iron and steel manufactures, hardware, locks, nails, woodscrews, mathematical instruments, weighing machines and fire extinguishers, and various quantities of linseed, linseed oil, castor oil, coffee and hides. Imports from Egypt will include rice, cotton, rock phosphates, gypsum, flax and cotton yarn.

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Trade between Egypt and India, except in respect of rice, will be carried on through normal trade channels. The agreement is subject to ratification and will remain in force for one year, and thereafter for further successive periods as may be mutually agreed upon before the expiry of the agreement.

(The Statesman, 12-5-1949).

India: Trade Agreement with Finland signed.

A trade agreement between India and Finland, aiming at the promotion of trade relations between the two countries, was signed at New Delhi on 9 May 1949.

Under the terms of the agreement, India has agreed to export tobacco, East India tanned kips, manufactures of rubber including tyres and tubes, spices, jute goods, tea, coffee, shellac, coir yarn, coir mats and matting, groundnut and groundnut oil, castor oil, linseed and linseed oil, other "essential" and "non-essential" vegetable oils, cotton thread, chemical products like shark liver oil, magnesium sulphate, sodium bichromate, magnesium chloride, strychnine, morphine, naphthalene, sodium bromide, potassium bromide and liquid bromine and drugs such as nux vomica, senna pods and leaves, chirata, gummy indicum and Indian squill (scillae). The maximum quantities of exports mentioned in the schedule to the agreement are the following: jute goods, 1,000 tons; Tea 100 tons; coffee 200 tons; shellac 50 tons; tobacco 200 tons; tanned kips 200 tons; spices (value) £ 10,000; linseed 1,500 tons; linseed oil 1,500 tons; various quantities of other oils and shark liver oil 2,000 gallons.

Imports from Finland include paper and pulp making machinery, wood working and plywood making machinery, boiler plant, electrical equipment including electric generators and electric motors of 30 H.P. and above, newsprint and paper of various kinds including cigarette paper, printing and writing paper, raw paper for the ~~manufacture~~ manufacture of carbon papers, wall boards, softwood, railway sleepers, birch for manufacturing bobbins and wood pulp (sulphite). The ~~max~~ maximum quantities of imports mentioned in the schedule to the agreement are the following: newsprint 12,000 tons; printing and writing paper, ~~15,000~~ 15,000 tons; wood pulp (sulphite) 6,000 tons; wooden railway sleepers 850,000 pieces and soft wood ~~10,000 standards~~ ~~10,000 standards~~ (sawn) 10,000 standards. No quantity is mentioned in regard to most of the other commodities. One of the articles of import is pre-fabricated houses.

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Trade between Finland and India will be carried on through normal trade channels. One of the articles of the agreement also stipulates that both the Governments will encourage trade in other commodities not forming part of the schedules annexed to the agreement. India and Finland ~~will~~ will provide all reasonable facilities to ensure that ships of both the countries carry as large a portion of goods and commodities covered by this agreement as possible. Besides Finland has agreed to render all possible technical assistance to India to build up now and improve existing Indian industries, particularly in the manufacture of paper, pulp and plywood and in woodwork and wood distillation. As a ~~result~~ result of this agreement trade between India and Finland is expected to increase ~~from~~ twenty-fold.

The agreement is subject to ratification by both Governments and will remain in force for a period of one year.

(The Hindustan Times, 10-5-1949).

India: Trade Agreement with Poland
Signed.

A trade agreement between India and Poland was signed by representatives of the two Governments at New Delhi on 22 April 1949.

Under the terms of the agreement, India expects to obtain a large number of commodities, such as lithopone, coal tar dyes, cement, newsprint, softwood in scantlings, steel constructions, centrifugal and Worthington pumps, machine tools, textile machinery, miscellaneous tools, water motors, cast iron pressure and soil pipes and fittings, zinc sheets and dust, galvanized buckets, furniture fittings, electrical implements and motors of over 30 h.p., cables transformers and raw film. Many of these commodities are at present being imported from the United States of America or other hard currency areas. The value of these commodities is approximately 20 million rupees. There is also a likelihood of Poland being able to supply reasonable quantities of barley to India.

Exports from India will include raw jute, raw cotton - Assams and Comillas - shallic, mica, myrobolan extracts, canes and rattans, cow hides, groundnut and groundnut oil, kyanite, black pepper, tea and coir fibre and yarn-valued at more than 10 million rupees. Besides Indian business men are at liberty to export to or import from Poland within the framework of the laws and regulations of the Governments concerned. Both the Governments have agreed to afford all reasonable facilities in ~~order~~ order to secure that the ships of the two countries carry as large a proportion as possible of the trade between India and Poland.

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Poland is also willing to offer railway equipment to India, and an assurance has been given that when global tenders are invited for the supply of locomotives, Poland will have every opportunity of competing with other countries from which tenders may be received. Main considerations in this connection would be prices, delivery terms and India's foreign exchange position.

The agreement, which is subject to ratification by both Governments, is for a period of one year.

(The Hindustan Times, 23-4-1949).

Pakistan: Trade Agreement with Poland
signed.

A trade agreement between Pakistan and Poland, for developing trade between the two countries on a mutually advantageous basis, was signed ~~at~~ by the representatives of the two Governments at Karachi on 27 April 1949.

Under the agreement Pakistan has agreed to export ~~allocation of~~ jute, cotton, wool and cow hides. Imports from Poland will include coal, sugar, steel manufactures and pipes. Besides a considerable volume and variety of Polish goods such as textiles, chemicals, hardware, newsprint, machinery and machine tools, electric motors and appliances will be made available for Pakistan. Trade channels will normally be used and exporters and importers will be left to settle ~~prices~~ and other terms of business. Facilities for movement of goods will be given on both sides.

('Dawn', dated 27-4-1949)

India: Protection to Steel Industry:
Recommendations of the Tariff Board:
Orders of the Government of India thereon.

The Government of India published on 27 April 1949 a Resolution containing the recommendations of the Tariff Board regarding the protection to be given for certain categories of steel and the orders of the Government thereon.

The Board has recommended inter alia that the existing protective duty on all protected categories of steel in tariff item 63(30) should be maintained, viz., 30 per cent ad valorem in respect of articles manufactured in the United Kingdom and 42 per cent ad valorem in respect of ~~articles~~ articles manufactured in other countries and the protection should be extended by two years more, i.e., until the 31 March 1951. The Board has also stated that there should be no statutory ceiling prices. In view, however, of the preferential position that would be enjoyed by the Tata Company under the proposed measures of protection, the ex-works prices of the four protected categories of steel should continue to be fixed by the company at the rates ~~of~~ determined by the Board and the ex-works prices of other related categories of alloy, tool and special steel should be fixed by the company after making due adjustments in the prices of the four protected categories of steel.

The Government of India has accepted the recommendations. With regard to the recommendation for extension of protection, the Resolution says that the period of protection ~~is~~ has been extended to 31 March 1950 by the Protective Duties (Miscellaneous Provisions) Act, 1949 (vide pages 28-29 of the report of this Office for April 1949) and that steps will be taken in due course for further extension of protection.

(The Gazette of India, Extraordinary,
dated 27 April 1949, pages 737-738).

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44. Prices and Cost of Living.

India - May 1949.

Family Budgets of Industrial Workers in Sholapur City : Government of India Reports.

The following information regarding family budgets of industrial workers in Sholapur is taken from a report on an enquiry conducted during 1944-45 in connection with the Government of India's All-India Cost of Living Index Scheme.

Sholapur is the most important town in the district of Sholapur and had in 1944 a population of 311,122 persons. During the last 25 years its population has increased by about 160 per cent. According to the census of 1931, the total number of the industrially occupied persons in the district of Sholapur was about 25 per cent of the total principal workers in the district. The most important industry of the district is cotton textiles. Sholapur City is ~~the~~ the third largest centre of the cotton ~~text~~ mill industry in the Bombay Presidency. There is no other important industrial occupation for the working classes in Sholapur excepting cotton spinning and weaving. At the time of the enquiry there were in Sholapur city six cotton textile mills employing 30,715 persons. They account for 95.6 per cent of the total employed in factories registered under the Factories Act.

Number of budgets collected.- In all, 794 family budgets were collected. Of these 778 were accepted for tabulation and 16 were rejected as they contained incomplete information. No singlemen's budgets were collected.

* Government of India Report on an Enquiry into the Family Budgets of Industrial Workers in Sholapur City: by S.R. Deshpande, Director, Cost of Living Index Scheme: Published by the Manager of Publications, Delhi: ~~Printed~~ Price Rs.1-2 or 1s.9d.; pp. vi x 42.

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Composition of family.- The average family consisted of 5.39 persons, 1.67 adult men, 1.62 adult women, 1.06 male children, and 1.04 female children. In addition, there were 0.14 persons who were dependants on the family but were living away from it. The report states that in this connection that the labour force in Sholapur was mostly local in character or at best came from the surrounding villages. The average number of persons, except for the lowest group in which there were only 15 budgets, progressively increased with the income, the smallest average number of persons in the family being 3.56 in the income group, 30 rupees and below 40 rupees and the highest being 9.77 persons in the income group, Rs 120 rupees and above. The size of the family varied from two persons to more than seven. 29.30 per cent of the total number of families, there were seven and more persons. In only 84 cases there were two, in 116 ~~three~~ three, in 122 four, in 129 five and in 99 six.

Earners and dependants.- The average family consisted of 1.85 earners, 1.44 men, 0.39 women, 0.01 male children and 0.01 female children. There was a progressive rise in the average number of earners in the family with the increase in income. The results of the 1925 enquiry conducted by the Bombay Labour Office had shown that on an average there were 1.96 earners per family, 1.49 males, 0.42 females and 0.05 children. Thus, the position during the last 20 years in regard to earners and dependants per family appears to have been more or less the same except that during 1944-45, the period of the present enquiry, the average size of the family had become slightly larger. Although there were no fewer than 1.85 earners per family, the single-earner per family dominated and it was found that in 553 or in 45.37 per cent of the cases there was only one earner, while in 273 or 55.09 per cent of the cases there were two; in the rest of the families, ~~there were more than three earners~~ there were more than three earners, but in 20 cases there were five or more earners. Families in the higher income groups had a larger number of earners and in the highest income group, namely, 100 rupees and above in no fewer than 65 or 74.71 per cent of the total number of the cases there were three or more earners.

Of the 419 earners in the families covered, in 174 cases it was found that a brother was helping and in 135 a son. Among the women earners, wives predominated; out of the 246 cases of women earners the wife was earning in 133 cases. Although there were 1.85 earners in the family the earnings of those other than that of the head, except in the income groups over 100 rupees were much less in proportion to those of the head of the family. For instance, while the average earning of the head comes to 47 rupees 8 annas and 5 pies the average earning of the other 0.85 persons comes to 18 rupees 6 annas and 7 pies or 27.50 per cent of the income of the family.

Income and expenditure.— The composition of family income was as follows:—

Average monthly income (778 budgets).

	Rs.	As.	Ps.
<u>Average monthly income from regular employment.</u>			
Monthly wages including overtime pay, dearness allowance, etc.	61	6	2
Bonus	3	11	10
<u>Average monthly income from sources other than regular employment.</u>			
Agriculture and house rent	1	1	11
Other employment	0	3	0
Income from boarders and lodgers	0	8	7
Total average monthly income	66	15	6

The largest concentration of budgets was found to be in the income groups 40 rupees and below 50 rupees and 50 rupees and below 60 rupees. The number of budgets in these two groups came to 317 or 40.75 per cent of the total. A fairly large number of budgets was also found in the income groups 100 rupees and above. The heads of families in this group were highly skilled weavers, jobbers, etc.

The average monthly expenditure of a family was as follows:—

Average monthly expenditure (778 budgets)

	Rs.	As.	Ps.	Percentage to total expenditure
Food	37	12	2	48.75
Fuel and lighting	9	7	3	12.20
House rent	2	13	2	3.64
Clothing and footwear	11	4	6	14.57
Household requisites	0	11	11	0.96
Miscellaneous	15	6	4	19.88
Total average monthly expenditure	77	7	4	100.00

The above table excludes amount spent on interest on loans, remittances to dependants, insurance premia, etc.

Housing conditions.— The report states that 489 out of the 778 families or 62.85 per cent of the total number of families were occupying a single-room tenement while 244 or 31.36 per cent of the total were occupying two-room tenements. The rest were occupying tenements with more than two rooms. The average number of persons per tenement came to 5.59, the average for one-room tenements being 4.68.

Indebtedness.— The report states that though the information collected regarding indebtedness during the course of the enquiry could not be regarded as very satisfactory, the tabulation of the data showed that out of the 778 families covered, 667 or 85.78 per cent of the total were in debt. The Bombay Labour Office enquiry of 1925 had shown that about 60 per cent of the workers were in debt at that time. It would, thus, appear that the percentage of indebtedness had gone up as compared to that year. The average amount of debt per family came to 210 rupees 12 annas and 3 pies. Money was generally borrowed from money-lenders, including Pathans, and the workers also bought credit from the shop-keepers to whom they became indebted. The causes of indebtedness given were ordinary wants, sickness, marriages, funerals, etc. The rate of interest reported varied from 2 per cent to 300 per cent.

Family Budgets of Industrial Workers in Bombay City: Government of India Reports.

The Government of India has published recently a Report on an enquiry into the family budgets of industrial workers in Bombay City. Bombay is the most important industrial town in the province of Bombay. Out of a total number of 711,525 persons employed in perennial factories, coming under the Factories Act in the province of Bombay in the year 1943, no fewer than 355,454 persons or 50 per cent of the total were employed in Bombay city. During the course of the last six years industrial employment in the city increased by about 59 per cent. This increase was mainly due to the increase in employment in Government and local fund factories, textiles, engineering and chemical industries. The enquiry, which

* Government of India: Report on an Enquiry into Family Budgets of Industrial Workers in Bombay: by S.R. Deshpande, Director, Cost of Living Index Scheme; Published by the Manager of Publications, Delhi; Price Annas 14 or 1s.3d.; pp. vii x 75.

was conducted during 1944-45, was undertaken under the All-India Cost of Living Index Scheme of the Government of India (vide pages 13-15 of the report of this Office for August 1943). The following details regarding family budgets of industrial workers in Bombay city are taken from the Report.

Number of budgets collected.- A total of 2,168 family budgets were collected out of which 2,030 were finally accepted for tabulation.

Composition of the family.- The average family in Bombay consisted of 3.96 persons of whom 1.37 were adult men, 1.30 adult women, 0.69 male children and 0.60 female children. On an average, there were 0.69 dependants on the family but not residing in Bombay city. These figures bear a very close resemblance to the figures arrived at during the 1932-33 enquiry which show that the average number of persons per family was 3.70 consisting of 1.35 adult men, 1.26 adult women and 1.11 children under 14. It was seen that with the rise in the family income the average number of persons in the family also increased. For instance, while in the income group 30 rupees and below 40 rupees the average number of persons was 2.33 in the highest income group there was as many as 7.76 persons. Out of the total number of family budgets 427 or 21.03 per cent of the families were two member families, 475 or 23.40 per cent three-member families, 476 or 23.45 per cent four member families, 335 or 16.50 per cent five member families, and 317 or 15.62 per cent of the total contained more than five persons. In the case of 14 families there were 10 persons or more each. The larger families were generally, to be found in the larger income groups.

Earners and dependants.- Of the 3.96 persons in the family, 1.53 were earners and 2.43 dependants. Of the 1.53 earners, 1.28 were adult men, 0.24 adult women and 0.01 male children. The Report states that it may either be a statistical coincidence or a statistical fact that the Labour Office Family Budget Enquiry of 1932-33 also revealed that the average number of workers per family was 1.53, 1.19 men and 0.34 women. It was seen that as the income increased the average number of earners also increased and in the highest income group there were as many as 3.14 earners per family. Also with the rise in income the proportion of women workers to men workers did not rise to the extent to which the proportion of ~~male~~ other men ~~workers~~ earners increased.

In the 2,030 families studied, there were in all 3,098 earners, 2,030 heads of families, 680 men earners and 388 women earners. In the majority of the cases either a brother or a son was seen helping the head of the family. In regard to women earners, it was seen that out of a total of 388 cases, in 222 it was the wife, in 72 it was the mother, in 48 it was a sister and in the remaining cases other women relatives.

Income and expenditure.— The composition of family income was as follows:—

Composition of family income (2050 budgets).

	Rs.	As.	Ps.
<u>Average monthly earnings from regular employment.</u>			
Monthly wages including overtime pay, bonus and dearness allowance	84	4	11
<u>Average monthly income from sources other than regular employment.</u>			
Boarders and lodgers	12	12	11
Other sources	0	0	5
<u>Total average monthly income</u>	<u>97</u>	<u>2</u>	<u>5</u>

The average monthly income of the family was 97 rupees 2 annas and 5 pies as compared with 50 rupees 1 anna and 7 pies as revealed by the 1952-53 family budgets enquiry.

Boarders and lodgers.— The new entrant in Bombay did not receive his pay for about five weeks after he joined work and as he migrated to the town generally with little in his pocket he usually stayed for a month or two with some relative or person belonging to his native place. Those who had sent away their families also prefer to board and or lodge with some friend or relative instead of eating out. For a long time now it had been one of the characteristic features of the labour population in Bombay city to admit boarders and lodgers. The 1952-53 Labour Office enquiry also shows that about 28 per cent of the families were taking in boarders and lodgers. The present investigation yielded more or less the same results.

The average monthly per capita income was 24 rupees 8 annas and 6 pies.

The average monthly expenditure of a family was as follows:—

	Rs.	As.	Ps.	Percentage to total expenditure
Food	44	15	2	51.96
Fuel and lighting	8	12	8	10.16
House Rent	6	3	9	7.20
Clothing and footwear	10	2	2	11.72
Household requisites	0	6	10	0.50
Miscellaneous	15	15	5	18.46
<u>Total average monthly expenditure</u>	<u>86</u>	<u>8</u>	<u>0</u>	<u>100.00</u>

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The above table excludes 2 rupees and 12 annas spent on interest on loans, insurance premia, remittances to dependants, etc.

The Report stated that as compared to 1952-33, there had been considerable changes in the percentage distribution of expenditure on the different groups. These were very marked in the case of food and miscellaneous items. The following table shows the percentage distribution of expenditure on important groups as revealed by the 1921-22 and 1952-33 enquiries and the present investigation:-

	1921-22 Enquiry	1952-33 Enquiry	Present- Investi- gation.
Food	56.8	46.60	51.96
Pulse and Lighting	7.4	7.11	10.16
Clothing	9.6	7.83*	11.72
Household Requisites	"	"	0.50
House Rent	7.7	12.81	7.20
Miscellaneous	18.5	25.60	18.46**

* Includes Bedding and Household Necessaries.

** Excludes payments to dependants etc.

Housing conditions.— On the housing conditions in Bombay, as revealed by the enquiry, the Report states that during the period of the present investigation, housing conditions had become particularly abnormal because of the large influx into the city owing to the opening up of new avenues of employment due to the conditions created by the war. Along with this there had not, however, been any appreciable increase in the number of working class tenements, and the new migrants to the city had to be accommodated in the already overcrowded buildings. This led to a considerable amount of congestion. In a recent statement, the city engineer of Bombay stated that the proportion of workers to living rooms in the city was ten per room. He estimated that about ~~was~~ 200,000 or 8 per cent of the population had converted the city's foot-paths as their bedrooms.

An analysis of the budgets showed that out of the total number of 2,030 families, no fewer than 1797 or 88.52 per cent were living in one-room tenements, 225 or 11.08 per cent ~~was~~ in two-room tenements while only 8 families were occupying three or more room tenements; and the corresponding figures revealed by the 1952-33 enquiry were 75.86 per cent, 25.39 per cent and 0.75 per cent respectively.

The enquiry showed that families in the income groups upto below 70 rupees per month were not able to balance their monthly budgets although in the higher income groups there were substantial surpluses. Out of the 2,030 budgets analysed, 1,349 or 67.99 per cent of the total were surplus budgets and 681 or 32.01 per cent were deficit budgets. The position was thus more

or less the same as was revealed by the 1952-53 enquiry when the percentages of surplus and deficit budgets were 65.30 and 34.70 respectively.

The table below gives the number of surplus or deficit budgets by income groups:-

Monthly Income Groups.	Total No. of budgets.	No. of budgets where the income of the family exceeds expenditure.	No. of budgets where the expenditure of the family exceeds income.
Below Rs.50.	1	-	1
Rs.30 and below			
Rs.40-----	23	10	13
Rs.40 and below			
Rs.50-----	94	25	69
Rs.50 and below			
Rs.60-----	210	86	124
Rs.60 and below			
Rs.70-----	264	142	142
Rs.70 and below			
Rs.80-----	247	146	101
Rs.80 and below			
Rs.90-----	249	170	79
Rs.90 and below			
Rs.100-----	159	110	49
Rs.100 and above	763	360	103
All incomes-	2030	1349	681

Indebtedness.- The Report gives data regarding indebtedness in the budgets surveyed, but states that these data could not be considered to be very reliable. A survey of the budgets showed that out of a total of 2,030 families covered, 1,301 or 64.08 per cent of the total reported that they were in debt. It would appear that indebtedness among the Bombay working classes had diminished somewhat because the 1952-53 enquiry had revealed that no fewer than 74.74 per cent of the families were in debt. The average debt per family reporting indebtedness according to the present enquiry came to 125 rupees 14 annas and 7 pies as compared to about 175 rupees as revealed by the 1952-53 investigation. It was reported that the rate of interest varied from 4 per cent to 150 per cent and that money was borrowed from moneylenders, co-operative societies, banias, friends and relatives. It was generally stated that the causes of indebtedness were ordinary wants, marriages, sickness, festivals, funerals, etc.

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Bombay: Inquiry into Income and Employment:
Government's Move.

It is understood that an inquiry into the income and employment of the population of the province of Bombay has been started under the auspices of the Government of Bombay. The inquiry is being conducted under the direction of Mr. G.M. Sankpal, Director of the Bureau of Statistics, Government of Bombay, in collaboration with Dr. D.R. Gadgil, Director of the Gokhale School of Economics and Politics, Poona.

For the purposes of the inquiry, the province has been divided into four groups, Gujerat, Deccan, Karnatak and Konkan, which will be further sub-divided into districts. The work of this inquiry already has been started in the Ratanagiri district in the Konkan and the Belgaum district in Karnatak.

(The Bombay Chronicle, dated
29-4-1949)

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45. Economic Development and Control.

India - May 1949.

First Session of All-Pakistan Economic Conference,
Lahore, 28-30 April, 1949.

The First All-Pakistan Economic Conference, held in Lahore from 28 to 30 April, 1949, was inaugurated by Mr. Ghulam Mohammad, Finance Minister of Pakistan; Mr. Zahid Hussain, Governor of the State Bank of Pakistan presided. The session was attended by over 100 delegates, representing Central and provincial Departments, universities, and educational and commercial institutions of Pakistan.

Inaugural address: Importance of cottage industries.

In the course of his inaugural address, Mr. Ghulam Mohammad said that the greatest problem of Pakistan, as of other countries, lay in low production and the great pressure of population on land. Large populations used to archaic methods of agriculture, suffering from ignorance and disease, lack of the wherewithal for modernising agriculture and establishing industries - these rendered the problem a thousand times more difficult. Here cries for ~~was~~ following ~~was~~ a particular pattern evolved out in one country or the other, were not going to solve this problem. Remedies, suited to requirements and conditioned by circumstances, must be found and patiently evolved out in order to eradicate the evils that Pakistan was suffering from for centuries. The biggest of these evils was ignorance brought about by subservience of centuries - not only to foreigners but also to the despotic and feudal rulers and monarchs.

The bulk of the people of Pakistan depended on agriculture and anyone who wishes to solve the problem of poverty in Pakistan, had to solve first the problem of agriculture. If two blades of grass could be grown where one grew that would, to a large extent, have solved the basic problem. This, however, required better and modern mechanised methods of agriculture, scientific manures and better implements. This, in its turn, necessitated complete change in the system of tenure and consolidation of holdings that were uneconomically fragmented today. Besides there ~~are~~ the questions of afforestation and ~~the~~ waterlogging, of providing cheap power and better communications, of dissemination of knowledge of modern methods of agriculture and establishing co-operative farming, with its concomitant, the ~~the~~ training in discipline and working for the common general interest.

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All these remedies raised important economic, social and political problems, which it was for the administrators, publicists and economists to find ways for. Above all, the question of the system of land tenure, which must be solved without further delay and, with the sole object of reorganising agriculture, rationalising it and infusing amongst tillers in the field a sense of dignity of labour and life which could stimulate in them that great urge to improve their lives as part of the life of a bigger family.

Industrial development.— Dealing with industrial development, the Minister said that Pakistan, though rich in certain raw materials, was industrially very backward. Though paucity of capital was in itself a severe handicap in the way of establishing industries, yet greater than that were the handicaps in the shape of paucity of technical personnel, technical knowledge and managerial ability, and lack of spirit of enterprise. These applied in varying degrees both to private and State enterprise. Pakistan's problem and the problem of most Asiatic countries was identical and she must find remedies suited to her own conditions.

In this connection, Mr. Ghulam Mohammad emphasised the importance of cottage industries to Pakistan's economy. For the vast population of Pakistan and for a long time to come, cottage industries properly organised with facilities for easy supply for raw materials, dissemination of knowledge in new designs and patterns, training in advanced methods, and to promote the sale of finished products to best advantage, ~~was~~ destined to play an important part, not only in the necessary stage of transition before large-scale industries were established, but even after their establishment; these cottage industries should continue to provide an additional source of livelihood and economic strength to the thousands of people in the villages ~~and~~ and the womenfolk.

Mr. Ghulam Mohammad stated that Pakistan had been left poor in manpower, in technique and knowledge. Its ~~people's~~ people's minds and character had been impoverished by the subservience of centuries, and by the habits formed during the periods of personal rule. It was on the moral front that the first battle of economic reconstruction of Pakistan had to be won. For her economic reconstruction, the harnessing of the forces of nature, and her man-power and of materials, was necessary. Still more necessary was to import from other countries what she lacked today.

Problem of tribal areas.— Mr. Ghulam Mohammad drew the attention of the economists to the problem of economic development of people in the tribal areas adjoining the North West Frontier Province, and on the Pakistan side of the Durand Line and in Baluchistan. He said that the Government of Pakistan had from the very beginning given special attention to their problems and made special provision for their economic development. In dealing with the tribal areas which presented

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a very fascinating problem for the study of economists and social workers, one had to realise that the essential problem was economic. Unlike the British Government in India, which at one time adopted a forward military policy, Pakistan could not - because of her great concern for the people of the tribal areas, and her religious and other affinities with these people - but adopt a forward, economic policy as a long-term solution. The sole aim of such a policy was to improve the economic conditions of the tribes and bring to them the benefits of education, medical relief, and cottage and other industries, which would make their difficult lives more bearable, and ultimately lead to the levelling up of their economic life to the conditions prevailing in other parts of Pakistan.

Need for an economic service.- Concluding, the Minister stressed the need to evolve an economic service ad distinguished from the civil service, the object of this service being to employ men for organising the economic life of the people, regulating it and assisting it with their knowledge. It may be a new idea, and like all new ideas, it may be laughed at one stage, but it was bound to gain strength and become effective as greater realisation dawned on Governments that, equally with the maintenance of law and order, their objective should be the improvement and development of the economic life of the people.

Presidential address: suggestion for setting up an Investment Corporation.- In the course of his presidential address, Mr. Zahir Hussain referred to Islam as a bulwark against communist doctrines and stated that Pakistan must not lose time in giving effect to her plans for strengthening the foundations of Islam. If she wished to defend herself against communism she must proceed without delay, and immediately free her systems of social injustices. Islam, was opposed to interest, all forms of speculation and all concentrations of wealth and power all of which were basic features of the present day social and economic order. There were many other problems of vital importance to Pakistan's future, but not one of them so basic ~~important~~ or seemingly so intractable as that of interest.

Agriculture: need for reform of land tenure.- Mr. Zahir Hussain pointed out that owing to the policies followed in the past, which resulted in the neglect of the area now comprising Pakistan, agriculture was her only industry. Pakistan's prosperity, supplies of consumer goods, foreign exchange resources, her national income and savings, and indeed all hopes and plans of economic development, were centred in agriculture. Therefore, no amount of care, technical or financial resources devoted to the preservation and promotion of the productivity of soil and its utilisation in the best interest of the country could be regarded to be excessive. In this connection courageous reforms of land tenures, were the sine qua non of progress. These reforms should be supported by an all-out drive for intensive and

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modern farming and for eradicating illiteracy to enable the country to reap fully the fruits of those reforms without incurring dangers of social and political upheavals inherent in the spread of communistic doctrines. In this respect, Mr. Zahid Hussain warned that the present division of responsibilities between the Centre and provinces, based on antagonisms generated under foreign rule, would block the path of national progress. A well-integrated national policy, required to safeguard agriculture.

He suggested that provincial budgets should be organically united with the Central budget, the whole being wielded as one well-integrated weapon for employment in the service of the country, for its maximum benefit.

Industrialisation.— Pointing that it was recognised by all that the industrialisation of Pakistan was one of the most urgent tasks before the people, Mr. Zahid Hussain said that the share of Muslims in the industries of undivided India was almost negligible, and Pakistan was, therefore, short of industrial promoters, entrepreneurs and managers; and, in addition, suffered from a lack of technicians. Besides, there was a severe shortage of electricity; coal was ~~difficult to secure~~ difficult to secure; and transport, particularly in East Bengal, was in need of considerable expansion and improvement. It was not sufficient to import a few technical men, however highly qualified they might be, but Pakistan had also to train a host of other technicians of various categories and imbibe and assimilate technical processes and methods of managing and controlling large industrial organisations. Money should be spent freely and special arrangements should be made for securing admissions for Pakistan in foreign universities and factories.

Taxation level and investment.— As Pakistan was economically a backward country, with its resources almost entirely undeveloped, Mr. Zahid Hussain maintained that direct taxation would not for a long time be a flexible source of assured and growing revenue for the Government, on any appreciable scale. The demand for increased expenditure on social services would tend to increase in intensity and volume, which the Governments themselves would be anxious to satisfy. Suggestions had been made in certain quarters inviting the State to consider the possibility of undertaking schemes of State trading. The entry of the State into the cotton trade, for instance, would assure fair prices to the grower as well as it would make it possible to keep export prices within reasonable limits.

Making a reference to the levels of direct taxation prevailing in Pakistan, he said that rates in Pakistan approximated to those in force in the United Kingdom, though in the higher ranges, inclined to be more drastic. This scale of taxation derived its justification from a desire for social justice and with a view to prevent the emergence of powerful business and industrial magnates, who would exploit others in

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pursuing their schemes for profit. The present high levels of taxation accorded with Pakistan's intention, ~~based on the principles of Islam,~~ to ensure equitable distribution of wealth.

The elimination of high level incomes placed certain responsibilities upon the Government. They had to fill the place of those whose spirit of initiative and enterprise due to various reasons could not be harnessed in the service of the country. This could be achieved, at least in some measure, by undertaking new enterprises by means of State-controlled public corporations working in association with foreign firms, which may, on terms to be negotiated separately in each case, agree to provide the necessary plant, technical experts and facilities for the training of ~~our~~ ^{Pakistani} nationals. And to canalise national savings into these undertakings, the ~~success~~ success of which would be assured, an investment corporation would be a useful agency. Such proportions of the shares of new companies as may be decided by the Government, may be made over to the investment corporation for sale in the market or, on easy instalments, to small investors. The corporation would be at liberty to form the companies on its list into groups and to issue special shares for each group in order to lessen the risk of loss, and generally to offer more attractive propositions to small investors. In this connection he emphasised the importance of insurance companies in canalising the savings of middle class for long-term investment and suggested the formation of one or more insurance companies directly sponsored by the Government or, at any rate, supported by the participation of Government in their capital.

Concluding he stressed that in all advanced countries, economists occupy a high and honoured position in the counsels of Government. Pakistan urgently required economists to advise the Central and provincial Governments on their policies and programmes, to ^{present} ~~represent~~ the country on international organisations and to serve on her insurance, banking and other ~~such~~ similar institutions. The organisation of faculties of Economics in Pakistan's Universities was a matter of ^{the} urgency to which it would be the duty of the Economic Association to turn its attention immediately.

Pakistan Economic Association.— The session discussed and passed the constitution of the Pakistan Economic Association. The name of the conference was changed to the Pakistan Economic Association. The aims and objects of the Association are: (1) the promotion of economic research and investigation particularly with reference to the problems of Pakistan; (2) the collection, collation and dissemination of economic data, with special reference to Pakistan; (3) the issue of publications on economic matters; and (4) the holding of meetings, discussions and conferences on economic matters.

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Office-bearers.- The following office-bearers were elected for the year 1949-1950: President: Mr. Zahid Hussain, Governor, State Bank of Pakistan, and General Secretary: Mr. Mohammad Hasan, Principal, Hailey College of Commerce, Lahore.

(The Civil and Military Gazette, -
Lahore, dated 29-4-1949 and 1-5-1949;
'Dawn', dated 1-5-1949).

46. Wages.

India - May 1949.

India: Earnings of Factory Workers during 1947*.

25 per cent increase in average annual earnings during 1947.— The ~~annual~~ average annual earnings of Factory workers (including perennial and seasonal industries but excluding railway workshops) drawing below 200 rupees per month amounted to 738.3 rupees in 1947 as against 619.4 rupees in 1946 and 287.5 rupees in 1939. There was thus an increase of about 24.7 per cent in the average earnings as compared to the previous year while the index on the basis of 1939 stood at 256.8 in 1947. The average annual earnings of workers in factories in perennial industries increased from 619.4 rupees in 1946 to 738.3 rupees in 1947, that is, by 19.2 per cent.

The total wages paid in 1947 to workers of the above mentioned category, subject to the said monetary limits, mounted to 1358 million rupees, the average daily number of workers employed being 2,063,981 as against 1,960,025 in 1946.

* The figures for 1947 are based on the annual returns on the working of the Payment of Wages Act furnished by the provincial Governments and Chief Commissioners. Returns could not, however, be obtained from the Government of East Punjab. These reports, further, do not cover railway workshops as the returns from these factories are included in the report for Railways. From the calculation of average annual earnings two more groups of factories are omitted viz., food, drink and tobacco and gins and presses. These industries being mainly seasonal, the figures of total wages would relate only to the number of days worked and the average annual earnings calculated on the basis of these figures would not therefore be comparable with similar figures for the other industries.

Average annual earnings of factory workers in perennial industries by provinces.- Although the All-India figure for the average annual earnings increased by 24.7 per cent the average earnings in perennial industries rose by 19.2 per cent only. This difference is accounted for by the rise in employment. The only province which recorded a fall in the average earnings was Ajmer-Merwara. The highest percentage rise was recorded in Bihar followed by Madras. Bombay showed an increase of 20.4 per cent in the average earnings and occupied in 1947 the highest place, among the various provinces, followed by Delhi. West Bengal and the United Provinces registered increases of 14 per cent and 13 per cent respectively. The cumulative effects of the wage increases since 1939 were the highest in Madras and Orissa, the two lowest paying provinces. Bihar, where the average earnings had been the highest in 1939 recorded the lowest percentage increase among the various provinces. These and similar changes in the other provinces have considerably narrowed down the provincial wage differentials so that in 1947, the maximum was only about 2.2 times the minimum compared to 2.6 in 1939.

The following table shows the average annual earnings of factory workers in perennial industries by provinces:-

Province	Average Annual Earnings of Factory Workers in Perennial Industries by Provinces				
	1947	1946	1939	Percentage increase (x) or decrease (-) in 1947 compared to	
				1946	1939
	Rs.	Rs.	Rs.		
Ajmer-Merwara	445.3	447.8	165.7	-0.6	x172.0
Assam	755.5	687.5	263.7	x9.9	x186.5
West Bengal	567.7	496.3	246.7	x14.4	x128.3
Bihar	819.8	544.0	415.5	x50.7	x 97.5
Bombay	977.9	812.5	370.4	x20.4	x164.0
Central Provinces and Berar	572.3	479.7	-	x19.3	-
Coorg	409.2	212.3	-	x92.7	-
Delhi	877.7	657.2	309.4	x 4.8	x183.7
Madras	560.3	422.2	175.9	x32.7	x218.5
Orissa	693.6	440.1	161.8	x12.2	x205.1
United Provinces	672.8	593.6	235.6	x13.3	x185.6
All India	738.3	619.4	287.5	x19.2	x156.8

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Average annual earnings of perennial factories workers by industries.— During the year under review, the highest average earnings were recorded in the mints in Bombay and West Bengal. The ~~max~~ engineering industry in Ajmer-Merwara, minerals and metals in Assam and Bihar, textiles in Bombay and the Ordnance factories in Delhi recorded average earnings of more than 1,000 ^{rupees} per annum.

In the average earnings in the cotton mill industry Bombay showed an increase of 28 per cent, Madras 52 per cent, the United Provinces 17 1/2 per cent, West Bengal 32 1/2 per cent, the Central Provinces and Berar 31.7 per cent and Delhi 18.6 per cent. These increases were the result of the various wage revisions which were effected during 1947 consequent to certain ~~max~~ awards and collective agreements.

No major changes took place in the wage structure in the jute mill industry during 1947. However, as a result of 15 per cent increase in basic wage given from April, 1946, increases in the amenity allowance etc., the average annual earnings in the jute mill industry in Bengal increased by 16.8 per cent. In Madras, there was an increase of 41.3 per cent and in the United Provinces of 26.9 per cent. The All-India average for the jute mill industry thus increased by about 17.1 per cent during the year under review.

Other industries also recorded considerable increases in wages during the year under review. Notable among these were the revisions in the Bengal Chemical and Pharmaceutical Works which gave an increase of 7 rupees per month in basic wages and 5 rupees per month in dearness allowance; the Titaghur Paper Mills Co. and the Indian Paper Pulp Co. which fixed the minimum wage at 30 rupees per month plus a dearness allowance of 30 rupees per month; and the Associated Cement Companies Ltd. which increased the basic wage by 2 annas to 4 annas per day.

The following table shows the trend of average earnings by industries:—

~~Table~~

(Table on the next page.)

Industry	1939 Rs.	1946 Rs.	1947 Rs.	Percentage increase or decrease in 1947 over 1946.
Textiles.....	295.5 (100.0)	624.5 (212.8)	773.7 (263.6)	23.9
Cotton.....	520.2 (100.0)	721.8 (225.4)	911.3 (284.6)	26.5
Jute.....	230.8 (100.0)	425.0 (184.1)	497.6 (215.6)	17.1
Engineering.....	263.5 (100.0)	696.1 (264.2)	699.9 (265.6)	0.5
Minerals and Metals.....	457.2 (100.0)	599.8 (131.2)	890.2 (194.7)	48.4
Chemicals and Dyes.....	244.8 (100.0)	492.4 (201.1)	592.4 (242.0)	20.3
Paper and Print- ing.....	352.7 (100.0)	658.4 (191.9)	724.8 (217.9)	13.5
Wood, Stone and Glass.....	194.2 (100.0)	454.3 (223.6)	496.5 (225.7)	14.3
Skins and Hides.....	285.8 (100.0)	558.2 (195.3)	603.9 (211.3)	8.2
Ordnance Factor- ies.....	561.9 (100.0)	721.2 (199.5)	754.1 (208.4)	4.6
Mints.....	567.4 (100.0)	858.7 (253.7)	1071.2 (291.6)	24.7
Miscellaneous.....	281.2 (100.0)	611.8 (217.6)	663.1 (255.8)	6.4
All Industries.....	287.5 (100.0)	619.4 (215.4)	738.3 (256.8)	19.2

N.B.—Figures in brackets are index numbers (1939=100). The figures for 1939 relate to British India, while those for 1946 relate to British India excluding Punjab and the North West Frontier Province. The figures for 1947 relate to the provinces of the Indian Dominion with the exception of East Punjab.

Wages and cost of living.— The following table shows the percentage increase in average earnings over 1939 for some of the provinces with corresponding figures for cost of living.

(Table on next page.)

Province	Percentage increase in average earnings.	Percentage increase in cost of living.
Bombay.....	164.0	(Bombay) 165 (Ahmedabad) 200 (Ahmedabad)
Madras.....	218.5	177 (Madras)
United Provinces..	185.6	278 (Kanpur)
Bihar.....	97.3	282 (Patna)
Bengal.....	128.3	298 (Jamshedpur) 209 (Calcutta)

Generally speaking, the analysis shows that: (1) during 1947 the wage bills for factories have increased by about 24.7 per cent compared to 1946; (2) the average annual earnings in perennial industries increased by 19.2 per cent compared to 1946 and were 156.8 per cent higher than in 1949; (3) the industries which were mainly responsible for this increase were the cotton mill industry and minerals and metals; (4) Bombay, Madras and Bihar recorded considerable increases in wages during the year under review; and (5) compared to 1946 the position in regard to real wages showed improvement.

((Indian Labour Gazette, March 1949)).

Bombay: Wage Trends in the Paper and Printing Industry during the period 1939-1947.

The wage trends in the paper and printing industry in Bombay province during the period 1939-1947 are reviewed in a note published in the January 1949 issue of the Labour Gazette. The following is a summary of the note.

Average per capita annual earnings.— The average per capita annual earnings for the paper and printing industry in Bombay province during 1947 were 867.28 rupees as compared with 389.84 rupees in 1939 - a rise of 124.78 per cent.

Among the various groups of the industry, "paper mills" recorded an all time high increase of 158.63 per cent - from an annual per capita earnings of 211.52 rupees in 1939 to 547.05 rupees in 1947. The following table shows the average per capita annual earnings for the ~~year~~ paper and printing industry in Bombay province during 1939-1947:—

(Table next page.)

Industrial Group	Average per capita annual earnings		Percentage
	1939 Rs.	1949 Rs.	
Paper Mills-----	211.52	547.05	158.63
Printing, book binding, etc.-----	415.61	930.87	123.98
Miscellaneous-----	357.99	855.85	138.51
Average per Capita Annual Earnings-----	389.84	876.28	124.78

(Labour Gazette, ~~March~~ January, 1949).

Bombay: Four-and-a-half Months' Bonus for
Textile Workers: Industrial Tribunal's Award.

A bonus equivalent to four and a half months' basic earnings in 1948 has been awarded to employees of the textile industry in Bombay by the Industrial Tribunal arbitrating in their dispute with the millowners. The award, which will cost the industry 25 million rupees, will benefit 222,000 workers of the 82 textile mills of Bombay. The bonus is to be granted to all the employees of the mills whether permanent or badli (substitute) who have worked in the mills concerned.

The award reveals that the net profits of the mills for the year 1948 are estimated at 205.6 million rupees as compared to 101.8 million rupees in 1947.

(The Hindustan Times, 24-4-1949).

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Bombay: 30 Rupees fixed as Minimum Wages for Employees
in Silk Textile Mills: ~~Business~~ Decisions of Wage Board.

Reference was made in paragraph 46, page 59 of the report of this Office for December 1948, to the industrial dispute between employers and workmen in certain silk textile mills in Bombay province. The Government of Bombay gazetted on 28 April 1949 the decisions of the Wage Board regarding minimum wages.

The hearing of the reference took place on 28 February 1949 and 10 March 1949; ~~and it~~ was limited only to one matter, namely, the minimum wage. The decisions of the Board are as follows:- (1) a minimum wage ~~maximum~~ of 30 rupees for ~~an~~ 26 working days in a month shall be paid to the employees in the silk and art silk mills in ~~Madras~~ Bombay province; (2) the minimum wage as fixed above shall be paid retrospectively from 1 December 1948; (3) the payment of wages for March 1949 due to be made in April 1949, shall be paid on the basis of the minimum wage as fixed above; and (4) the difference between the payment of wages, already made, for December 1948, January and February 1949, and the payment calculated on the basis of the minimum wage of 30 rupees for these three months, shall be paid in one ~~instalment~~ instalment within three months from the date of the issue of this order.

(The Bombay Government Gazette, Part I,
dated 28 April 1949, pages 2321-2325).

Madras: Bonus for Plantation Workers for the
year 1948.

The Council of the South India Estate Labour Relations Organisation (vide paragraph 33, pages 17-21 of the report of this Office for November 1948) at a meeting held in Coimbatore on 15 December 1948, decided that a bonus equivalent to 6 1/4 per cent of total cash earnings during the calendar year 1948 be paid to estate workers by all member tea estates in the province of Madras which should be paid at the next settlement. It was further resolved to recommend to all other estates to pay a lump sum of 4 per cent on total cash earnings for the calendar year 1948 subject to the ability of coffee and rubber estates to pay this amount.

The bonus is payable to all workers irrespective of the period of work put in on the estate during the year.

(Indian Labour Gazette, March, 1949).

56. Labour Administration.

India - May 1949.

Conditions of Work in Ceylon during 1948:
Administration Report of the Commissioner
of Labour for 1948s.

The Administration Report of the Commissioner of Labour for the year 1948 reviews the main developments in Ceylon in the field of Labour Legislation and Administration. Part I of the Report deals with the conditions of labour and the working of the labour laws generally in the country. Part II deals with special matters relating to Indian Immigrant Labour.

Part I General

* Administrative changes.- Colonel C.J. Dane Lanktree, C.C.S., who was appointed Permanent Secretary to the Ministry of Labour and Social Services with effect from 1 October 1947, continued to act, in addition, as Commissioner of Labour till February 3, 1948. Mr. M. Rajanayagam assumed duties as Acting Commissioner of Labour on 3 February.

With the introduction of the Soulbury Constitution on 27 September 1947, the functions of the former Ministry of Labour, Industry and Commerce were reallocated and a new Ministry of Labour and Social Services was formed. In the early stages all the subjects and functions of this Ministry were in charge of this Department. Later, in pursuance of the recommendations of the Social Services Commission whose report was published in February, 1947, a separate Department of Social Services was created in February, 1948, and the subjects of poor relief, workmen's compensation, charitable institutions, relief of distress and social insurance were transferred to that department.

Another notable change is the organisation of a separate Statistical Branch in the Labour Department to advise and assist in the collection of statistics.

* Ceylon Part I - Civil(O): Administration Report of the Commissioner of Labour for 1948. Government Publications Bureau, Colombo, April 1949; Price Rs.2/-.

Membership of the I.L.O.- The year under review saw Ceylon's attainment of full independence within the British Commonwealth of Nations. Soon after she became independent, Ceylon applied to become a member of the I.L.O. The application was considered at the 31st session of the International Labour Conference held at San Francisco in June-July 1948 and, by an unanimous vote, Ceylon was admitted to membership with effect from 28 June, 1948. Membership of the I.L.O. involves considerable additional work and the creation of a special section at the Headquarters to deal with I.L.O. matters is under contemplation.

International Labour Conventions.- In view of the independent status which Ceylon had attained Conventions No. 50 and 64 were no longer applicable to it. But the question of incorporating certain provisions of these conventions in existing legislation was being examined during the year.

The report also contains a brief review of the I.L.O. conference on Labour Inspection Services in Asia, held at Kandy in November 1948, and the consultative mission of ILO experts in connection with the preparation of reports for the Asian Regional Conference of the I.L.O.

Committees of Inquiry.- (i) Mercantile Employees.- Arising out of motions introduced in the last State Council and representations made to the Hon. the Minister for Labour and Social Services, the question of protecting the interests of mercantile employees by the appointment of a Wages Board was investigated by the Department. It was found that the proposal was beset with practical difficulties in that the diversity and complex nature of the work done in various types of establishments would not permit of minimum and standard wages being fixed by Wages Boards. The question whether the Wages Boards Ordinance, in its present form, would permit of the appointment of a Wages Board for mercantile employees was referred to the Attorney-General. He advised that the Mercantile Service is not a "trade" as defined in section 5B of the Ordinance and the question of appointing a Wages Board for mercantile employees had therefore to be dropped. However, the Minister decided to appoint a committee to inquire and report on the question of introducing suitable legislation to regulate the terms and conditions of employment of mercantile employees. The personnel of the committee had not been decided upon at the end of the year.

(ii) Private Motor Car Drivers.- Representations were also made to the Minister of Labour and Social Services that there was urgent need for the establishment of a Wages Board for private motor car drivers. The Department was once again confronted with almost the same ~~difficulties~~ difficulties as in the case of mercantile employees. The Attorney-General was consulted and his view was that private motor car drivers being personal servants could not be brought within the scope of the Wages Boards Ordinance, No. 27 of 1941, and that fresh legislation would be necessary to provide for the regulation of the conditions of employment of these employees. It was, therefore, decided to appoint a

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committee to report on the matter. The personnel of the committee was under consideration at the end of the year. (This committee has since been appointed: vide paragraph 53, page 55 of the report of this Office for April 1949).

Technical Training.- An examination of registrations at the employment exchanges indicated that there were persons registered in skilled categories who were insufficiently trained to meet normal trade standards. There were also large numbers registered for categories of work in which opportunities of employment were small and the position not likely to improve to any appreciable extent.

The provision of technical training for these workers was considered as a means of remedying the situation. The aim of the schemes was twofold, namely to raise the standard of skill of partially skilled workers and to deflect workers from overcrowded occupations into avenues where labour is in demand.

Several proposals have been examined, the most important being a scheme to establish a training school for masons and carpenters in the building trade, which it was decided should be brought into operation as early as possible, in view of the extensive building operations necessary after the war. The scheme which was put up to the treasury was discussed at a conference with the officers of the treasury and representatives of the Industries Department and it was suggested that it would be desirable in the first instance to get the carpenters registered at employment exchanges, trade tested, and graded according to efficiency by the Superintendent, Carpentry Workshops, Industries Department. It was decided to give this suggestion a trial. Another scheme to train Ceylonese toddy tappers was also formulated but a final decision as to when it should be started had not been made at the end of the year.

Trade Testing.- A concomitant of technical training is trade testing. In the Report of the Committee on Apprenticeship (vide pages 40-43 of the report of this Office for November 1947) attention was drawn to the deficiencies of apprenticeship training in Ceylon and the absence of any tests conducted by responsible organisations which issue certificates of competence to successful candidates. As a first step in the implementation of the recommendations of this committee, a scheme was drawn up for the establishment of a centre at which workers could subject themselves to tests and obtain certificates on the results of these tests. The proposal was to start with the building trade and extend the system gradually to other trades. The scheme was before the Government at the end of the year.

Legislation.- (a) Trade Disputes.- The Trade Disputes Bill for the prevention, investigation and settlement of trade disputes had been finalised and by the end of the year was under submission to the Government for formal approval before introduction in Parliament.

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(b) Shops and Offices (Regulation of Employment) Bill.— The draft of the Bill had been completed during the year. As there were further points to be incorporated in the draft, these were discussed with the legal draftsman and he agreed to revise the draft in the light of the discussion. By the end of the year, the final draft had been received from him. It is expected that the Bill will be introduced in Parliament during 1949.

(c) Wages Boards Ordinance.— A memorandum dealing with several proposed amendments to the Wages Boards Ordinance was considered by the Cabinet Committee on Legislative Programme during the year, but it was not possible to obtain priority for the drafting of the Bill. This was due to the fact that there were other Bills to which priority had been given earlier, but had not been drafted.

(d) Mines and Quarries.— Certain amendments to the Mines, Quarries and Minerals Ordinance, No. 55 of 1947, were under consideration during the year. One of them is intended to give the Minister of Labour and Social Services power to make regulations governing the welfare of workers in both mines and quarries. The department submitted a memorandum dealing with the proposed amendments, which was forwarded to the Ministry of Health and Local Government for necessary action to be taken for the preparation of the Bill.

Trade Unions.— During the year, 53 unions applied for registration under the Trade Unions Ordinance and 29 were registered. Eighty-one unions were functioning at the end of the year 1947. The registration of 9 unions was cancelled during the course of the year. Therefore, the total number of unions functioning at the end of the year was 101 but annual returns were due only in respect of 72 unions as the other 29 were new unions and their annual returns are due only next year.

In August this year an amendment to the Trade Unions Ordinance making special provision for the registration of unions of public servants was passed and five unions were registered under these special provisions during the course of the year. The 5 unions of Government technical workers which had been registered prior to this Act amended their rules to comply with the requirements of the law.

Only 4 unions had a Political Fund and out of these, one wound up its fund in January 1948.

The total membership of registered workers' unions at the end of the year was 158,178 which gives a density of 10.5 per cent, if the total number of organisable workers in the country is assumed to be 1,500,000. In the United Kingdom the density for 1947 was 44.76 per cent and in Australia more than 50 per cent. The biggest membership of unions is in the plantation industry which has 122,154 union members which means that more than 77.2 per cent of all trade unionists are in the plantations. ~~The total membership of registered workers' unions at the end of the year was 158,178 which gives a density of 10.5 per cent, if the total number of organisable workers in the country is assumed to be 1,500,000.~~

The total membership of unions affiliated to the different federations is as follows: (i) Ceylon Trade Union Federation 13,861; and (ii) All Ceylon Trade Union Congress 3,685.

The normal subscription of a union is 50 cents a month. In the case of plantation unions the rate is 50 cents per year. At these rates unions cannot afford to give benefits, such as strike pay, without voluntary contributions from workers or those interested in their welfare. Out of 70 unions which sent in their annual returns, 36 had a membership of less than 250; 20 between 250 and 1,000; 13 between 1,000 and 5,000; and 1 over 5,000.

The two federations of employers were very active during the year and their representatives figured at all conferences convened to discuss matters in which their members were interested.

Trade Union Organisation.— The Acting Trade Union Adviser addressed 15 meetings in all parts of the Island during the year under review. In most cases the meetings were organised by trade unions of Government servants for the purpose of obtaining information on Whitleyism. Fortnightly classes for trade union officers were held regularly in Kandy and Ratnapura for the benefit of trade union officers in the planting districts. A class at Nawalapitiya was started but had to be abandoned owing to the paucity of students. In all 32 classes were held in the course of the year. Now unions made regular use of the Trade Union Adviser's office for advice on management and administration of their affairs. Considerable time was also given to advising new unions on the formulation of their rules and regulations.

The major work of the section however has been in regard to the introduction of Whitley Councils in public service as the most suitable form of joint negotiating machinery for the public service.

Industrial Relations.— The year 1948 was one of comparative quiet in the sphere of industrial relations. Various factors contributed towards this. Among them was the spirit of moderation and reasonableness shown by workers' representatives on the one hand and the employers' representatives on the other.

(i) Industrial Labour.— A few trades and industries continued to be in the category of "essential services" for the greater part of the year. No major disputes, however, arose nor did occasion arise for any reference under the Essential Services (Avoidance of Strikes and Lockouts) Order, 1942 for compulsory arbitration. By the end of the year all the trades and services (excluding work within the limits of the Port of Colombo) had been removed from the category of "essential services". The effect of such removal is that strikes and lockouts are no longer illegal in these trades and it is now not possible to submit disputes in them to compulsory arbitration. ~~With regard to~~ The Industrial Disputes (Conciliation) Ordinance provides for the appointment

of Boards of Conciliation where the parties agree to settle their differences amicably. No applications for any such Boards under this Ordinance were received ~~from~~ during the year in respect of industrial disputes in trade and industry outside plantations.

During the year 20 strikes in trade and industry outside plantations were reported to the Department ~~as~~ against 52 strikes in the previous year. The number of man days lost was 2,407 1/2 in 1948 as against 544,174 in 1947. This year's figure is the lowest on record during the period 1943-1948. The approximate loss in wages incurred by the workers as a result of the above mentioned strikes was ~~Rs~~ 616,461 rupees. The year was for the most part uneventful and the few disputes that arose were settled at the conference table. Inability of the employer to provide full employment to workers was one of the chief complaints made to the department during the year.

(11) Estate Labour.— There were 52 strikes on estates involving 4,516 labourers as against 53 strikes last year. The number of working days lost was 51,349 1/2 as against 199,657 in 1947. The loss in earnings incurred ~~by~~ ^{by} the workers as a result of these strikes was 42,495.06 ^{rupees}. Most of the strikes were due to the termination of service of labourers. On the intervention of the Labour Department and an assurance that their grievances would be investigated, the strikers generally resumed work. ~~An undesirable development in some of these strikes deserves mention.~~

Three applications were approved for the appointment of Conciliation Boards under the Industrial Disputes (Conciliation) Ordinance, in the course of the year.

(Details of the more important industrial disputes are given in the report and statistics of the numbers involved, mandays lost etc. are given in tables VII and VIII).

Wages Boards.— The Report notes that wages boards covering fifteen trades have continued to serve the country very usefully by reducing causes of friction between the employers and workers. There has been an increasingly noticeable tendency on the part of representatives of the workers and employers on the boards to discuss their problems and take decisions in an atmosphere of friendly co-operation. The decisions of the wages boards have, on the whole, proved acceptable to all parties and the success achieved by the boards has amply demonstrated the suitability of this method of ~~wages~~ wage fixation to the needs of this country.

The work of the Inspectorate of the Labour department has contributed in no small measure to the successful working of the Wages Board Ordinance. The Inspectors also provide educative assistance which is being increasingly availed of by employers and employes alike. During the year under review 2,960 inspections under the Wages Boards Ordinance were undertaken by the officers of the ~~department~~ department. This number represents an increase

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of nearly 26 per cent over the number of inspections in 1947, and comprised 365 estates and 225 establishments inspected on complaint, and 1,707 estates and 665 establishments visited on routine inspection. The inspections revealed that notices required to be posted under the Wages Boards Ordinance had not been exhibited in 588 estates and 206 establishments, and that the notices exhibited at 585 work-places (estates and establishments) were inadequate. Registers or records of wages required to be maintained under the Ordinance had not been maintained at 123 estates and 111 establishments while those at 805 work-places were inadequate. In the course of the inspections, the wages of 136,365 male workers, 125,587 female workers and 30,292 child workers employed in estates were checked. The inspections of other establishments resulted in the checking up of payments to 22,533 male workers, 12,065 female workers and 8,001 apprentices. The inspections also revealed, among other things, that - (a) the purposes for which the fines imposed on the workers were applied had not had the approval of the department in 17 cases; (b) eighty-one estates and 46 other establishments had failed to grant weekly holidays to the workers, the numbers so affected being, 1,181 estate workers and 661 workers in establishments; and (c) annual holidays had not been granted to 9,747 workers in 301 estates and 2,221 workers in 171 establishments.

The extent of the material benefit to the workers by these inspections can be, to some extent, gauged from the fact that during the year under review short-payments amounting to 360,739.21 rupees were recovered for 11,703 workers in thirteen trades, i.e. on both estates and establishments. This amount compares very favourably with the sum of 250,963.16 rupees recovered for 11,026 workers in 1947 and 51,599.59 rupees recovered for 4,163 workers in 1946.

142 prosecutions were instituted for various offences under the Ordinance and convictions were obtained in 98 cases. Four cases were pending at the end of the year. The number of cases filed in 1946 was only two, resulting in a conviction in one case, the other having been withdrawn.

Unauthorized deductions from the wages of workers were detected in 298 estates and 34 establishments. The number of instances of deductions exceeding the permissible maximum was 387. There were 22 cases of irregular deductions for fines.

Trades for which Wages Boards have been established.
Wages boards functioned during the year for the following trades:- Tea, cocoa, cardamom and pepper growing and manufacturing; rubber growing and manufacturing; coconut; engineering; printing; plumbago; rubber export; tea export; toddy, arrack and vinegar; cigar manufacturing; motor transport; match manufacturing; port, dock and harbour transport; and ~~cinema~~ cinema trade.

The Wages Board for the Dock, Labour and Port Transport Trade and the Cinema Trade were established in May and August respectively.

Minimum rates of Wages.- The minimum rates of wages for workers set out in the previous year's Administration Report continued unchanged in the following trades:- tea, cocoa, cardamom and pepper growing and manufacturing; rubber growing and manufacturing; coconut; engineering; printing; tea export; toddy, arrack and vinegar; cigar manufacturing; and motor transport.

Decisions made by the Boards during 1948.- There was a general revision of the basic rates of wages of 31 classes of workers in the plumbago trade with effect from 1 November 1948. The revision resulted in the raising of the basic daily rates of wages of one class of workers by 1.27 rupees. The increase in the rates of special allowance, when the cost of living index number for the preceding month was 215 was 24 cents for a male adult, 21 cents for a female adult and 12 cents for a child worker. In the case of male adults, the rate of increase or decrease for each complete unit of 5 points by which the index number exceeds or falls short of 215, as the case may be, was increased from 2 cents to 3 cents.

The minimum rates of wages for all workers other than those engaged in outer box making by machine in the match manufacturing trade, referred to in the Administration Report for 1947, continued to be in force. With effect from 1 April 1948, workers who were engaged in outer box making by machine were brought on a par with those engaged in inner box making by machine, as a result of this type of worker being up-graded from Grade III to Grade II.

Despite a decision of the wages board for the engineering trade requiring the weekly payment of wages, several engineering firms continued the practice of paying their workers monthly at the request of the workers themselves. The matter was therefore considered by the board which unanimously decided to rescind with effect from 1 March 1948, the earlier decision requiring payment of wages weekly.

To obviate difficulties in the counting of working days for computing a qualifying year for purposes of calculating the annual holidays in respect of certain piece workers, the wages board for the coconut trade decided that a unit of 42 pounds of bristle fibre hackled and tied should form the equivalent of a normal day's work and that every day on which an employer could not supply raw material sufficient for the worker to hackle and tie 42 pounds of bristle fibre should be considered as a day on which the worker had hackled and tied a day's unit. This new decision came into force with effect from 1 May 1948.

Proposals of Wages Boards.- The proposed decisions of the Wages Board for the cinema trade were published in the official Gazette on 10 December 1948. The proposals divided the workers in the trade into two main groups - clerical and non-clerical, those in the non-clerical group being further sub-divided into four groups, viz., unskilled, semi-skilled, skilled Grade II and skilled Grade I and those in the clerical group being sub-divided into three grades. The proposals provide for monthly rates of wages consisting of a basic wage and a special allowance and differentiation in is drawn between municipalities and other areas, the rates for most categories being slightly lower in the latter. The highest basic rate proposed is 60 rupees while lowest is 32.25 rupees, the rates being for Grade I skilled workers and unskilled workers respectively, both in the non-clerical group. The rates of special allowance vary from 35 per cent to 52 per cent when the cost of living index number is 200. A worker would receive a full month's wages where he has worked for four days less than the number of days in any calendar month. Continuous employment and work under the same employer for at least 252 days in any year, according to the published proposals, will entitle a worker to one holiday and thereafter a holiday will be granted for every unit of four days in respect of any period of work exceeding 252 days and up to 532 days.

The Wages Board for the tea growing and manufacturing trade published a notification under section 26A relating to increases in the daily basic rates of wages of a male adult from 58 cents to 68 cents, for a female adult from 46 cents to 55 cents and of a child worker from 41 cents to 50 cents. The Board made recommendations to the minister in accordance with the published proposals but they were referred back by the minister for re-consideration in the light of certain observations made by him. The proposals await re-consideration by the Board in 1949.

Wages Boards for New Trades.- As a result of special investigations made relating to the building trade, a notification under the Wage Boards Ordinance notifying intention to apply Part II of the Ordinance to the building trade was published in June 1948. The objections ~~made~~ received in response to the notification were being considered at the end of the year. Special investigations to ascertain whether Part II of the Ordinance should be ~~made~~ applied to the following trades were nearing completion at the end of the year under review: aerated waters and ice manufacturing; baking and confectionery; brick and tile manufacturing; and petroleum, kerosene and fuel oils distribution.

Maternity Benefits.- Inspections under the Maternity Benefits Ordinance, No.32 of 1939, as amended by Ordinance No.35 of 1946, are normally carried out together with inspections under the Wages Boards Ordinance. An increase in the inspectate in the course of the year made possible an increase in inspections carried out under

the Ordinance administered by the department. There has been, in the course of the year, a progressive improvement in compliance with the provisions of this Ordinance by employers whose establishments are subject to its provisions. Inspections have, in a large measure, been directed towards the education of employers in their duties under this Ordinance and their ready co-operation in complying with instructions, has made recourse to prosecutions necessary in very few cases only. The rates of maternity benefits payable under this Ordinance which were prescribed by regulations made in 1946 continued in force during the year under review. Most of the detections of violations of this Ordinance have revealed improper maintenance of records and corrective action has been taken to ensure proper compliance with the regulations. In some cases failure to pay maternity benefits has been detected or payment at less than the prescribed rates, and in all cases payment of arrears was readily made to the workers on instructions from the department.

More employers have taken advantage of the scheme for the provision of alternative maternity benefits. This scheme is open only to employers of labour on estates. Before an employer undertakes provision of alternative maternity benefits it is necessary for him to obtain a certificate ~~from~~ authorising him to do so. 244 such certificates were in force at the end of the year, 56 of which had been issued during the year. Certificates from 15 estates during the year under review were withdrawn owing to failure to comply with at least the minimum requirements under the Ordinance.

Non-resident women workers on estates are now entitled to elect to receive alternative maternity benefits on estates authorised to provide them. This concession has been taken advantage of in an appreciable number of cases and speaks much for the quality of the benefits provided by those establishments. It must be mentioned that no compulsion can be exercised on the expectant non-resident mothers to use the ward and that their decision to accept the benefits would, therefore, be entirely dependent on the excellence of the services offered. On the other hand, on some groups which comprise a number of scattered estates sharing a single maternity ward, unpopularity of the ward among female workers on these estates was noticed. In most of these cases investigations revealed that this was due to the wards not being easily accessible to the expectant mothers or being some distance away from their homes. In these cases authority to provide alternative maternity benefits was allowed to continue on the assurance that satisfactory transport arrangements would be made. All cases where the maternity wards appear to be unpopular are kept under careful review and periodic investigations are made to ensure that the reluctance on the part of expectant ~~women~~ mothers to use the wards is not due to any deficiency which is remediable by the management. A real difficulty in the smooth working of the alternative maternity benefits scheme has been the dearth of qualified midwives available for employment on estates.

Employment.- The numbers of registering for employment at the employment exchanges were on the increase during the year. 122,592 unemployed persons were registered at the various employment exchanges during the year under review as against 88,187 during 1947. These figures include re-registrations. The number placed in employment during the period was 10,347 as against 7,404 in 1947. The balance on the registers as at 31 December 1948, was 66,656 excluding deferred, lapsed and cancelled registrations as against 54,744 on 31 December 1947.

In view of representations received from various quarters from time to time, 2 employment exchanges, 8 branch employment exchanges and 7 registration centres were established during the year. When unemployment of any appreciable extent is reported from any area arrangements are also made for one of the officers from the nearest employment exchange or branch ~~employment~~ employment exchange to visit the area concerned and register the unemployed. The present employment exchange organisation therefore provides facilities for unemployed persons in all parts of Ceylon to register themselves for employment at or near their homes.

Unemployment Relief.- During the year a number of schemes were undertaken by Government departments primarily for relieving unemployment. A list of these schemes giving brief description of each, the number employed, etc., is given as an appendix to the report. About 2,378 unemployed persons were working on the schemes at the end of the year.

A special committee on unemployment was formed during 1948 with the Minister without Portfolio and Chief Government Whip as Chairman, to examine certain ~~measures~~ schemes for the employment of unemployed in Ceylon, particularly in the city of Colombo. The other members were the Parliamentary Secretary to the Minister of Labour and Social Services, the Permanent Secretaries to the Ministers of Labour and Social Services, Health and Local Government, Agriculture and ~~Marine~~ Lands and Transport and Works. The Mayor of Colombo and a Treasury official were co-opted to the committee. Six meetings were held during the year. A number of schemes recommended by the committee were put into execution and the committee was dissolved in October 1948.

Interdepartmental Committee.- A committee under the Chairmanship of the Commissioner of Labour consisting of 12 heads of officials was set up in May 1948 for the purpose of devising ways and means of solving the problems of unemployment. Its main function is to advise Government on the measures to be taken by Government departments in the solution of the unemployment problem. Since the Labour department knows the pockets of unemployment, ~~from~~ the labour employing departments, whose heads or their representatives form the committee, will be able to advise how best ~~the~~ these men can be absorbed and to formulate plans for the purpose. Moreover mutual discussions held regularly help to solve difficulties,

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which individual departments may have with regard to absorbing labour and also bring to light problems that may require decisions at a higher level. The committee held three sittings during the year. The following are some of the more important subjects that were discussed:- (a) The general question of unemployment and the ways and means of solving existing and future unemployment; (b) the insertion of a clause in each Government contract requiring the contractor to recruit a specified percentage of skilled and unskilled labour through the employment exchanges, and (c) industrial training.

Government Contracts.- During the year a decision was taken by Government that in each Government contract a clause should be inserted to the effect that the contractor is required, where reasonably possible, to recruit the necessary labour through the employment exchanges. It was also agreed that this clause should be inserted only in contracts for work to be done in an urban area. In Colombo the urban area is to include an area within five miles from the municipal limits. Immediate steps were taken to implement the conclusions on the lines indicated below: (a) new clauses to be inserted in Government contracts were drafted in consultation with the law officers of the Crown; (b) labour employing departments like the Public Works Department, Colombo Port Commission, ~~Marine~~ Harbour Engineer, General Manager of Railways, and Commissioner, Local Government, were informed of the decisions of the Cabinet and requested to incorporate the new clauses in their contracts; and (c) labour inspectors were detailed to contact Government contractors and to obtain orders for workers.

At a conference under the chairmanship of the Minister of Labour and Social Services held in December 1948, at which the Ministers of Education, Food and Co-operative Undertakings, Industries, Industrial Research and Fisheries, and Agriculture and Lands were present, the problem of unemployment and how it should be tackled was discussed.

Shops Ordinance.- The enforcement of the Shops Ordinance No. 66 of 1938, was extended during the year under review to the urban councils of Napatale and Talawakelle-Lindula; the Ordinance was thus in force during 1948 in the three municipalities of Colombo, Kandy and Galle and in the forty urban councils of Ceylon.

It has been the experience of inspecting officers that it is the smaller shops, particularly those in residential areas, which violate the provisions of the Ordinance, especially the closing orders, rather than the larger shops, in which happily the requirements of the Ordinance appear to be fairly satisfactorily observed. As mentioned in last year's report, difficulties in regard to housing have precluded the enforcement of the health and sanitary provisions of the Ordinance. Shop employees in large numbers continue to be housed in shops; there is a total absence of organised forms of recreation for the proper and profitable use of leisure;

and there is also the time-worn guardianship of employees by employers. The result of all this has been that the employees linger in the shops during their free hours and continue to work and even support the occupiers in infringing the provisions of the Ordinance.

A new Bill known as the Shops and Offices (Regulation of Employment) Bill, incorporating features lacking in the present Shops Ordinance and based on the experience gained by the working of the law during the last few years, is in the course of preparation. When it comes into operation, not only will the benefits of the Shops Ordinance be extended to employees in mercantile and other similar offices but the enforcement of the Ordinance ~~itself~~ itself will be rendered more easy.

Safety in Factories and Mines.— The Mines and Machinery Ordinance, Chapter 163 still regulates the safety and welfare of workers in mines and factories. Under this Ordinance the Revenue Officer of each District is entrusted with certain powers in regard to the operation of the Ordinance in his district. According to reports received from the various Revenue Officers there were at the beginning of the year 1946 factories in Ceylon. During the year 217 factories were registered and 37 were closed down, leaving at the end of the year 2,126 factories as duly licensed. Twentythree accidents were reported during the year 1948 as against 9 in 1947. As a result of these accidents 12 persons were killed and 46 persons injured.

Mines were supervised by the Inspector of Mines. At the beginning of 1948 there were 39 registered mines. 999 new mines were registered during the year and 875 mines were closed down. The Inspector of Mines reports that owing to the increase in the demand for plumbago, a large number of new mines were opened during the year.

The ~~mark~~ delay in bringing into operation the new Factories Ordinance which was passed in 1942 has been due principally to the difficulty in securing an officer to fill the post of Chief Inspector of Factories under the Ordinance.

Industrial Health Clinic.— A weekly industrial health clinic is run at the Government Printing Press as from 11 March 1948. Special attention is paid to early signs and symptoms of lead poisoning particularly among those exposed to a respiratory lead hazard, such as moni-caster attendants. Job transfers and assignments of light duty are decided upon, based on clinical findings. Both routine examinations and examinations by personal request are carried out.

Free Issue of Milk to ~~Certain~~ Certain Workers.— Free issue of milk to workers, who are exposed to a lead poisoning hazard, is made at the Government Press. Condensed milk (diluted) is given twice a day, i.e., 6 ounces each issue or 12 ounces per day. Condensed milk is not popular with the workers who do not often avail themselves of this free issue.

Now that cow milk is more easily available in the local market at a more reasonable price, a report was submitted towards the latter part of 1948 to the Government Printer, suggesting the changeover to cow milk at an early date.

Labour Welfare.- Advice was given to 16 Government departments on the formulation of welfare schemes for their employees. A significant development in the right direction has been the appointment of welfare officers to some of the principal employing departments of Government. Not much progress has been made in private industry; with the notable exception of a few firms whose welfare organisation embraces canteens, provision of recreational facilities, thrift schemes, medical and dental treatment, etc., the general attitude towards welfare remains lukewarm.

Part II: Indian Estate Labour

Migration of Labour between Ceylon and India.- The ban imposed by the Government of India on the emigration of unskilled labour to Ceylon remained in force throughout the year, and there was no change in the conditions attached to the movement of labourers and to the categories in which exemptions could be sought. The ebb and flow of labour remained practically constant in character, although a marked diminution in the numbers travelling was noticed. In 1948 labourers despatched to Ceylon numbered 50,547 and those returning therefrom to India totalled 47,115. In the ~~previous~~ previous year, 54,577 proceeded to Ceylon, while 58,381 returned to India.

Exchange Control.- The introduction of exchange control by the Government of Ceylon and the resulting restrictions on remittances sent to India by labourers took effect from 1 September 1948. A scheme known as the Estates (Group) Scheme was formulated and came into operation on September 25, 1948. Under this scheme, operated in India by the Ceylon Emigration Commissioner, all employees of estates were enabled to send remittances to India in accordance with the regulations laid down by the Controller of Exchange.

Certain Concessions to Indian Estate Labour Withdrawn. Indian estate labourers travelling to and from India were hitherto charged at a concession rate of 2 cents per mile on the Ceylon Government Railway as against the ordinary rate of ~~2 2/3~~ 2 2/3 cents a mile. The object of this concession was presumably to attract Indian labour to work on estates which could not secure an adequate supply of local labour. The Government has since decided to withdraw the concession as there is now no necessity for the recruitment of new labour.

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The Report also gives detailed information relating to sanitary, medical and educational facilities on estates in Ceylon.

(The Administration Report of the Commissioner of Labour for 1947 was summarized at paragraph 56, pages 37-46 of the report of this office for June 1948).

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59. General.

India - May 1949.

Conditions of Work in Indian Railways
In 1947-1948: Annual Report of Railway
Boards.

The following information regarding the conditions of work of railway employees in India during the year ended 31-March 1948 is taken from the Annual Report of for 1947-1948 (Volume 1) on Indian Railways, issued by the Railway Board.

General review of working of railways.- The year under review witnessed the attainment of independence by India. The division of the country into two Dominions led to the partitioning of the two railways, the North Western and the Bengal Assam. The part of the North Western falling in India has, since 15 August 1947, been constituted as the Eastern Punjab Railway. The sections of the Bengal Assam in the Province of Assam have come to form the Assam Railway. Those in Western Bengal were partly merged in the East Indian and Oudh Tirhut Railways and the remaining section in the province formed part of the Assam Railway. Another consequence of the partition was that the Assam Railway was cut off from other railways of India, thus necessitating the construction of a new link. These changes on the political front led to repercussions on railway working, which were unprecedented in their character and consequences. Vast movements of population from either Dominion imposed an enormous strain on the limited resources of the railways, and this was accentuated by the opting of staff from each Dominion for service in the other. There were certain difficulties in preparing the report owing to division of the North Western and the Bengal Assam Railways. The report deals with the Indian Railways as they stand after partition for the entire financial year. These Railways include all the railways not affected by the partition, and the Assam and Eastern Punjab Railways from 15 August 1947 to 31 March 1948. The same procedure is followed in dealing with the different aspects of railway working during the year.

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Government of India, Ministry of Railways (Railway Board): Report by the Railway Board on Indian Railways for 1947-1948 Volume I: Published by the Manager of Publications, Delhi: 1949: Price: Rs.5-2 or 8sh; pp. vi x 96.

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As compared with the preceding year there was a marked decline in military traffic, both in coaching and goods. The loss on military passenger traffic was, however, made up by the increase in civilian passengers, but the quantum of goods traffic registered a considerable decrease. There was also a recession ~~in coaching~~ in earnings other than passenger earnings, chiefly due to decline in parcels and luggage traffic. The earnings from passengers on all Indian Railways increased by a little over 7 per cent and the earnings from goods traffic excluding the North Western, Bengal Assam, Eastern Punjab and Assam Railways also recorded an increase of 3.1 per cent. The gross traffic receipts of Indian Government Railways amounted to 1631.3 million rupees. A comparison of the passenger mileage in 1938-39 with that of 1947-48, indicates the extent to which passenger traffic has grown since the war shows that on the Class I Railways, (excluding Eastern Punjab and Assam Railways) the passenger miles in 1947-48 amounted to 31,076 million as compared with 13,456 million in 1938-39, an increase of 124.4 per cent.

The year under review saw the introduction of the further measures towards simplification of the ~~rate~~ rating structure on Indian Railways. With effect from January 1948, the ~~rate~~ classification of goods, and the schedules were revised. With the exception of four classes, all others were made telescopic class rates on continuous mileage over all the Indian Government Railways. The number of schedules was reduced to six standard schedules, and uneconomical transport avoided by requiring all traffic to be booked by the shortest routes. Certain alterations in rates were made, the most important being the enhancement of the surcharge on coal to 30 per cent. On the commercial side, another change of importance was the standardization of passenger fares.

Number of railway employees.— The total number of employeess (permanent and temporary) on all Indian Railways and in the office of the Railway Board and other offices subordinate thereto (excluding staff employed ~~with~~ on construction), at the end of the year 1947-48 was 823,712 as compared with 771,993 at the end of 1946-47. The figures exclude, for purposes of comparison, the number of staff on the Bengal Assam and North Western Railways and Eastern Punjab and Assam Railways. The total route mileage at the end of the year was 35,985 inclusive of Assam and Eastern Punjab Railways.

The total number of staff employed on the open line of Indian Government Railways increased by 47,923 (including Assam and Eastern Punjab Railways), while the number of construction staff decreased by 1,543.

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The total cost of staff including that of staff on loan from the Indian Audit and Accounts Service excluding Assam and Eastern Punjab Railways increased by 105,659,017 rupees during the year. The general increase in the number and cost of staff was due to the amalgamation of portions of the old Bengal Assam Railway with the East Indian and Oudh Tirhut Railways and the taking over of the Kanchrapara Workshops by the East Indian Railway on partition of the country. The increase in cost is also partly due to implementation of the Central Pay Commission's recommendations.

Direct recruitment and promotions to superior services.- During the year 1947-48, 15 vacancies in the Superior State Railway Services were earmarked for promotion from Class II and Class III services, but the selection of vacancies could not be completed during the year. Twelve promotions were made to the Lower Gazetted Service in the various departments.

Railways and labour.- During the year under review the most important event concerning labour was the publication of the Rajadhyaksha Award. Mr. Justice Rajadhyaksha was appointed by the Government in 1946 to adjudicate on the points of dispute relating to hours of work, periodic rest, leave reserves, leave rules, and holiday concessions, applicable to staff on Railways. Mr. Justice Rajadhyaksha submitted his award to the Government in May 1947, and the Government announced its acceptance of the award during June 1948 (vide paragraph 67, page 51 of the report of this Office for June 1948).

Meeting with All-India Railwaymen's Federation.- A special meeting was held between the Railway Board and the All-India Railwaymen's Federation on 7 June 1948; the following were among the subjects discussed: (1) the views of railway labour on points arising out of the report of the Central Pay Commission; including the continuance of otherwise of grainshop concessions; (2) retrenchment; (3) confirmation of temporary staff who had completed one or two years' service, in accordance with the recommendations of the Pay Commission; (4) extension of service conditions obtaining on Indian Government Railways to other Indian Railways; and (5) Staff Councils.

At a subsequent meeting ~~held~~ held on 21 and 23 January 1948, the following ~~subjects~~ were among the subjects discussed:- (1) anomalies in the application of the Central Pay Commission's recommendations; (2) educational assistance to children of railway ~~employees~~ employees; (3) confirmation of temporary staff; (4) enforcement of the Adjudicator's Award; (5) working of grainshops and grant of dearness allowance; (6) reinstatement of those convicted for political offences, etc.; and (7) uniform conditions of service on all railways within the Indian Dominion.

Working of grainshops.- The Railway Grainshop Organisation continued to function satisfactorily during the year under review. Conditions of scarcity and the rise in prices accentuated the difficulties in procurement. The measures adopted in the past to make up the deficiency caused by the reduction in the basic cereal quantum operated to the advantage of the railway worker. During the year, the Government in pursuance of a policy of gradual decontrol lifted the controls over the prices of pulses, edible oils, sugar and cereals. Further except in regard to the major foodgrains free movement of food grains was allowed. The initial ~~mark~~ effect of these measures was to attract increased quantities of foodstuffs to the free markets, but, soon, a steep rise in prices followed. This limited the stocks that could be procured and the general situation regarding supply was not substantially different from that obtaining earlier. To the railways, on the other hand, the rise in prices entailed proportionately increased losses as the subsidized sale prices in the grainshops were based on the price levels ~~prevailing~~ prevailing in 1943. The railway worker was thus protected through the grainshops from the further increases in the cost of living.

The partition of the country also affected the ~~Grainshop~~ Grain Shop Organisation. The partitioning of the North Western and Bengal Assam Railway decreased the number of ration card holders dealing at the grainshops by about 1,00,000 and the number of static and mobile shops by 126. Expedient and satisfactory arrangements were made to meet the requirements of food for the staff coming from Pakistan to India, and the staff proceeding to Pakistan on transfer.

At the close of the year, there were in all 547 grainshops of which 495 were static and 152 mobile. The number of ration card holders dealing at the shops during March 1948 was 862,000. Foodstuffs to the extent of 21,110,000 maunds (1 maund = 40 seers = 32lbs approximately) were sold by the shops. The amount realised by the sale of commodities through these grainshops during the year was about 198,589,000 rupees. The expenditure on the purchase of the commodities sold during the year, however, amounted to about 448,549,000 rupees while the losses during the year were 244,478,000 rupees on account of purchases and 29,739,000 rupees ~~and~~ on account of freight etc. The benefit enjoyed per employee per month (based on the ~~fig~~ figures for March 1948 and on the difference between market prices and railway concessional prices during that month; average family taken at 3 adults) varied from about 16 to 50 rupees according to the category of the area.

The question of the continuance of the grainshop scheme was examined during the year in connection with the recommendations of the Central Pay Commission. The Commission was of the opinion that so long as any concession in the matter of supplies of necessaries of life was allowed, the assessed monetary value of such concessions should be deducted from the sum of the dearness allowance recommended by the Commission. As a result of the examination of this question and of discussions thereon with the All-India Railwaymen's Federation, the staff were asked to choose either the full cash dearness allowance payable to other Central Government employees or the existing rates of cash dearness allowance plus grainshop concessions as prevailing in February-March 1947. This option was, however, to be exercised by the Federation collectively on behalf of all staff entitled to the grainshop concessions, that is, those drawing 400 rupees and below per month. The All-India Railwaymen's Federation chose the second alternative of existing rates of cash dearness allowance and grainshop concessions, and accordingly, the activities of the grainshops were maintained at the previous level, so that the staff could obtain the maximum benefits permissible within the framework of the provincial rationing rules.

Canteens.- With a view to provide staff with cheap and wholesome meals and to improve the working conditions of workers, 18 more canteens were opened during the year under review. The total number of canteens at the close of the year was 26. The number of staff who patronized the canteens was on an average 26,000 per day. Most of the canteens served tea and other beverages and light snacks, while in a few, full meals were also made available.

Dearness allowance.- During 1947, the rates of dearness allowance drawn by railway servants were reviewed with reference to the recommendations contained in the Central Pay Commission's Report, and on 1 November 1947, the following orders in regard to the rates admissible were issued:-

(1) Gazetted officers:	
(A) Married -	
- Pay	Dearness allowance.
Rs. 251 - 300	Rs. 60 per mensem.
Rs. 301 - 500	Rs. 70 "
Rs. 501 - 750	Rs. 85 "
Rs. 751 - 1000	Rs. 100 "
Rs. 1001 - 2000	10 per cent of pay, subject to a maximum of Rs. 150 p.m.
Rs. 2001 - 2150	The amount by which the pay falls short of Rs. 2,150.

(B) Unmarried - Pay

Dearness allowance.

Up to Rs. 1,000	10 per cent of pay subject to a minimum of Rs.40 and a maximum of Rs.75 per mensem.
Rs.1001 - 1075	The amount by which the pay falls short of Rs.1,075.

(2) For Non-Gazetted Railway servants.-

(A) All non-gazetted railway servants drawing Rs.400/- and below on whose behalf the All-India Railwaymen's Federation exercised a collective option in favour of the existing rates of dearness allowance plus grainshop concessions. Dearness Allowance at existing rates plus grainshop concessions.

(B) Other non-gazetted railway servants-

Pay	Dearness allowance.
Rs.401 - 500	Rs. 70 per mensem.
Rs.501 - 750	Rs. 85 "
Rs.751 - 1000	Rs.100 "

The ~~xxxxx~~ revised rates came into force on 16 August 1947, with the exception that in the case of those who elected the Central Pay Commission scales of pay from an earlier date these rates applied from the date of such election.

Railway staff and the war.- The tempo of release of Railway staff from the army was maintained throughout the year under review with the result on 31 December 1947, up to which figures are available, there were only one gazetted and 441 non-gazetted railway staff employed under the Ministry of Defence.

Railway Service Commissions.- Reference was made in the report for the previous year (vide paragraph 59, pages 45-50 of the report of this Office for August 1948) that Railway Service Commissions were being constituted with headquarters at Calcutta, Bombay and Lucknow. The Commissions at Calcutta and Bombay started functioning in April 1947. The Commission at Lucknow commenced working from October 1947. As a result of the partition of the country, the North Western Railway Service Commission came under the administrative control of the Government of Pakistan with effect from 15 August 1947. The Commission at Calcutta has been working for the Bengal Nagpur Railway only from the same date. The Eastern Punjab and Assam Railways were not included in the jurisdiction of any of these Commissions. As an experimental measure, the Service Commissions were given the additional work of advising General Managers on appeals against penalties imposed on Class III staff.

Labour legislation and Railway labour.- During the year under ~~review~~ review two measures affecting labour were enacted, namely, the Indian Trade Unions (Amendment) Act, 1947, and the Minimum Wages Act, 1948. The first, the Indian Trade Unions (Amendment) Act, 1947, makes it obligatory on the part of employers to recognize representative unions of their employees, provided the requisite conditions as specified in the Act are satisfied. It also specifies certain acts as unfair practices on the part of recognized unions and certain other acts as unfair practices on the part of employers, and prescribes penalties for such acts. The Act authorises the Government to bring it into force from a date to be notified in the official Gazette. The Act was not, however, brought into force during 1947-48.

The Minimum Wages Act, 1948, was enacted towards the close of the financial year. The Act provides for fixing minimum rates of wages and applies in the first instance to the employments specified in the schedule attached to the Act with which the Railways are not much concerned.

Staff councils.- The Industrial Disputes Act, 1947, and the Industrial Disputes (Central) Rules, 1947, provide for the constitution of Works Committees consisting of representatives of employees and workmen engaged in an industrial establishment, in which 100 or more workmen are employed. The question whether staff councils and other similar bodies functioning on railways at present might be allowed to continue without any change in their present constitution or should be reconstituted on the lines prescribed in the Act and the Rules referred to above was under consideration during the year.

Provision of quarters for Railway staff.- A Committee appointed to examine the question of housing of workers, recommended six types of quarters, viz., A, B, C, D, E, and F, for various classes of staff, of which four, viz., A, B, C, and D, were of enclosed type, i.e., with courtyards, and two, viz., E and F, of open type. The Railway Board have decided that only A, B, C and D types of quarters should be constructed on railways. The standard of accommodation recommended by the Committee for the lowest type of quarters, viz., 'A' for skilled and unskilled workers, consists of two main rooms each of 12'x10', a kitchen, latrine, etc. The accommodation is almost the same as for the coal miners' houses which are being built by the Ministry of Labour and the L-4 type provided by Tata for their workmen. The other types of quarters, viz., E, C, and D, are meant for the various categories of junior and senior subordinates. The minimum standards of accommodation and amenities have been prescribed by the Railway Board for each type of quarter. In the first instance, quarters will be provided for essential staff only. The term 'essential' is to be understood in the sense that such staff are liable to be called on duty in emergency or to attend to work at inconvenient hours, and to ~~remain~~ remain near the site of work, and for whom no private houses are available.

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Training of staff.- The policy to be followed and the measures to be adopted in the matter of training of staff employed on Railways has been under consideration of the Railway Board since the termination of the war. It was felt that it was essential to provide adequate and proper arrangements for the training of staff on each railway both on initial recruitment and for periodical refresher courses during their service. Instructions were accordingly issued to railways to establish training schools where they did not exist and; if such school existed on any railway, to make modifications that might be found necessary to meet the present-day requirements.

Madras: Factories Act, 1948 applied to
certain Manufacturing Processes.

By a notification dated 22 April 1949 the Government of Madras has declared that all the provisions of the Factories Act, 1948 shall apply to any place wherein (i) a manufacturing process is carried on without the aid of power, or is so ordinarily carried on and (ii) ten or more but less than 20 persons are employed.

(G.O. Ms. No. 2210 Development, dated
22 April, 1949;
The Fort St. George Gazette, Part I,
dated 3 May 1949, page 560)

United Provinces: United Provinces
Factories Rules, 1949: Draft published.

The Government of the United Provinces ^{has} published the draft of United Provinces Factories Rules, 1949, proposed to be made under the Factories Act, 1948. The rules prescribe inter alia the powers and duties of the inspecting staff, detailed standards of cleanliness, artificial humidification, etc., the safety precautions to be observed in cotton textile mills, ginning factories, rubber mills, wood-working machinery, etc., the standards of washing facilities and first aid appliances to be maintained in factories, the conditions under which exemption of adult workers from certain provisions of the Act may be granted, special precautions and special provisions relating to dangerous operations, etc.

(Government Gazette of the United Provinces, Part I-A, dated 21 May 1949, pages ~~215-271~~ 215-271).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - MAY 1949.

62. Right of Association.

India: Delhi Trade Unions (Recognition)
Regulations, 1948.

The draft Delhi Trade Unions (Recognition) Regulations, 1948 (vide page 69 of the report of this office for November 1948) have been approved and published on 23 April 1949.

(The Gazette of India, Part II-A,
dated 23 April 1949, pages 204-207)

64. Wage Protection.

India - May 1949.

West Bengal: Minimum Wages Act, 1948;
inspectors appointed.

By a notification dated 29 April 1949 the Government of West Bengal has appointed the following officers of the provincial Government to be Inspectors for the purposes of the Minimum Wages Act, 1948: (1) Labour Commissioner; (2) all Deputy Labour Commissioners; (3) all Assistant Labour Commissioners; (4) all Labour Officers; and (5) all Statistical Inspectors.

(The Calcutta Gazette, Part I, dated
5 May, 1949, page 750).

Burma: The Payment of Wages (Amendment) Act,
1949.

The Payment of Wages (Amendment) Bill (vide pages 58-59 of the report of this Office for April, 1949) as passed by the Burma Legislature was signed by the Provisional President of the Union of Burma on 9 April 1949 and has been gazotter (as the Payment of Wages (Amendment) Act, 1949 (Act No. XVII of 1949)).

(The Burma Gazette, Part I, dated
16 April 1949, pages 256-258).

West Bengal: Payment of Wages Act, 1936,
extended to Tea Plantations.

By a notification dated 9 May 1949 the Government of West Bengal has extended the provisions of the Payment of Wages Act, 1936, to the payment of wages of all classes of persons employed in the ~~plant~~ tea plantations in West Bengal. (Reference was made in paragraph 64, page 71 of the report of this Office for November 1948 to the proposal to extend the Act to ~~the~~ tea plantations).

(The Calcutta Gazette, Part I, dated
19 May 1949, page 323).

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66. Strike and Lockout Rights.

India - May 1949.

United Provinces: Cotton Textile Industry
declared Public Utility Service under the
United Provinces Industrial Disputes Act,
1947.

The Government of the United Provinces has declared, by a notification dated 16 April 1949, the cotton textile industry in the province and every undertaking connected with the manufacture or distribution of cotton textiles, to be a public utility service for purposes of the United Provinces Industrial Disputes Act, for a further period of six months from 22 April 1949.

(Government Gazette of the United Provinces,
Part I, dated 23 April 1949, page 306).

Bombay: Transport by Air Industry declared
Public Utility Service.

By a notification dated 9 May 1949 the Government of Bombay has declared transport for the carriage of passengers or goods by air, to be a public utility ~~service~~ service for the purpose of the Industrial Disputes Act, 1947, for a further period of six months ending 17 November 1949.

(The Bombay Government Gazette, Part I,
dated 12 May 1949, page 2540).

67. Conciliation and Arbitration.

India - May 1949.

India: Industrial Disputes (Banking and Insurance Companies) Ordinance, 1949.

The Government of India gazetted on 30 April 1949 the Industrial Disputes (Banking and Insurance Companies) Ordinance, 1949, to provide for the adjudication of industrial disputes concerning certain banking and insurance companies.

The Ordinance which comes into force at once amends section 2 of the Industrial Disputes Act, 1947, dealing with definitions of certain terms. Under the Act the term 'appropriate Government' in relation to an industrial dispute concerning federal railways, mines, oilfields or major ports, means the Central Government. The definition is amplified by the inclusion of 'a banking or an insurance company'. Definitions of the terms banking company and insurance company are also added to the Act by the Ordinance. The Ordinance further prohibits provincial Governments to refer an industrial dispute concerning any banking or insurance company to any tribunal for adjudication or settlement. Any such proceedings relating to disputes pending before provincial tribunals on the date of the commencement of the Ordinance shall be deemed to be withdrawn and all such proceedings shall abate. Finally the Ordinance empowers the Central Government to refer disputes in respect of which awards or decisions have been made for ~~readjudication~~ readjudication to an Industrial Tribunal.

(The Gazette of India, Extraordinary,
dated 30 April 1949, pages 749-750).

Bihar: Industrial Disputes (Bihar) Rules,
1947: Amendments.

The Government of Bihar published on 28 April 1949 certain amendments to the Industrial Disputes (Bihar) Rules, 1947 (vide page 5 of the report of this Office for December 1947). The amendments prescribe inter alia the constitution of works committees, the number of members and the procedure for election of the members of the committees, the method of deciding disputes regarding election to works committees, and the powers and functions of the committees.

(The Bihar Gazette Extraordinary,
dated 28 April 1949, pages 1-5).

CHAPTER 7. EMPLOYMENT AND UNEMPLOYMENT.

INDIA - MAY 1949.

71. Organisation of the Labour Market.

India: Employment Exchanges: Working during
March 1949.

Employment situation.- During March 1949, the employment situation continued to be uncertain throughout the month. While there was some improvement in Assam, Bihar and Central Provinces and Berar owing to the further progress of certain industrial development and hydro-electric projects, there were retrenchments in Bombay, Madras and West Bengal. Shortage of raw materials and lack of adequate transport facilities acted as deterrents to a programme of expansion in many areas. As in previous months, the shortage of skilled technicians continued to exist. Some exchanges reported shortages of stenographers, qualified teachers, draughtsman, overseers, and domestic servants as well. On the other hand, a surplus of clerks, semi-skilled workers, peons, chowkidars, khalasis, and munchis was reported by many exchanges.

Registrations and placings.- The total number of registrations effected at employment exchanges, district employment offices and special employment bureau and the total number of persons placed during the month are shown below:-

	March 1949	February 1949	March 1948
Total number of registrations- (including re-registrations)-	92,636	74,680	58,203
Total number of persons placed in employment	22,612	23,311	17,652

Of these placed in employment, 2194 were ex-Services personnel and 4364 displaced persons. Of the total number of placings effected, 457 were in posts carrying a basic pay of 101 rupees or more. At least 26 of these candidates were placed in jobs carrying basic salaries of 200 rupees to 800 rupees per mensem. Increases in registrations were recorded in all regions, the highest being

in United Provinces and the next highest in East Punjab. In the United Provinces Region, the increase in registrations was due to the opening of 20 district employment offices. In East Punjab region, there was an increase in registrations owing to a large number of applicants registering themselves for vacancies in railways. As regards placements, with the exception of Madras, the United Provinces and Bihar, all the regions recorded an increase.

Placings by wage group.- Figures relating to placings during March 1949, analysed according to wage groups were as follows:-

<u>Wage groups: basic monthly pay</u>	<u>Number of placings</u>
Above 101 rupees -----	457
61 to 100 rupees -----	2,418
36 to 60 rupees -----	11,885
21 to 35 rupees -----	6,545
20 rupees and below -----	1,307

Employment exchanges in Indian States.- Returns received from employment exchanges in Indian States show that up to 31 March 1949, 101,832 applicants had been registered, of whom 20,683 had been found employment. This information does not, however, illustrate completely the work performed by all State exchanges, as up-to-date information had not been received from many of them. These figures are in addition to the all-India figures quoted ~~under~~ above.

Employment of displaced persons.- 19,540 displaced persons were registered during the month as against 14,407 during February 1949. The number of these placed in employment was 4,364. At Meerut, a large number of displaced persons were registering themselves for allotment of land under the United Provinces land colonisation schemes. Lucknow reported a great rush of displaced persons seeking employment in railways. Reluctance to take up manual labour, lack of documentary evidence of age and qualifications, and the desire to start independent business were some of the reasons which were hindering the ~~par~~ progress in the resettlement of displaced persons.

Work of Special Employment Bureau.- The total number of persons registered by the Bureau up to 31 March 1949 was 2,962, of whom 729 had been placed in employment. The number registered during the month ~~of~~ was 185 and that placed in employment 62.

Technical and Vocational training.- During March 1949, there were 79 technical training centres and 104 vocational training centres functioning, with 5,280 and 2,729 ex-Servicemen trainees respectively under training. And 8,256 displaced men were undergoing training at the training centres in Bihar, Bombay, Central Provinces and Berar, Delhi and Ajmer-Merwara, East Punjab, United

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Provinces and West Bengal. 497 trainees (both ex-Servicemen and displaced persons) passed the trade tests in technical trades, bringing the total of passed out trainees to 10,678. In the vocational trades, 220 trainees passed out, bringing the total of passed out trainees to 2,153. 163 disabled ex-Servicemen were undergoing training in the three special training centres. 66 trainees passed the prescribed trade tests, bringing the total passed out to 1,340. An amount of 14,550 rupees was distributed to 75 disabled trainees who had successfully completed the training course, for purchase of tools and equipment. 251 displaced girls and women were undergoing training at the centre at New Delhi run by the Ministry of Labour. 65 trainees passed the prescribed trade test, bringing the total of passed out trainees to 113. 20 more firms (1 in Bihar, 3 in Bombay, 7 in Madras, 7 in United Provinces and 2 in West Bengal) agreed to participate in the Apprenticeship Training Scheme, while one firm in Central Provinces and Berar withdrew from the scheme. The total number of Apprenticeship Training Centres was thus 283 and 856 ex-Servicemen and 1,698 displaced persons were under training at these centres.

The number of ex-Servicemen selected and posted for technical training during March 1949 and to date is shown below:-

Administrative Region.	Selected and posted			
	Technical Training		Vocational Training	
	During March 1949.	Cumulative to date.	During March 1949.	Cumulative to date.
Assam.....	6	368	8	261
Bihar.....	16	3,472*	-	1,272*
Bombay.....	71	4,765	19	2,399
Central Provinces and Berar**	-	1,859	-	860
Delhi and Ajmer	-	-	-	-
Merwara.....	11	1,717	5	719
East Punjab§	14	537	6	353
Madras.....	185	27,232	38	8,477
Orissa§§	24	89	22	88
United Provinces**	49	7,229	15	9,288
West Bengal.....	55	5,006	53	1,509
Total	431	50,322	166	25,029

*Includes trainees appropriate to Orissa region selected and posted upto 30-9-48 separate figures for which are not available. Figures for vocational training relate to February, 1949.

**Figures relate to February, 1949.

§Cumulative figures are for the period beginning with 15th August, 1947.

§§Cumulative figures are for the period beginning with 1st October, 1948; figures relate to February, 1949.

(Review of the Work done by the Directorate General of Resettlement and Employment during the month of March, 1949, issued by the Government of India.)

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Pakistan: Working of Employment Exchanges
during February 1949.

Registrations and placings.- According to a press note issued by the Government of Pakistan, during February 1949, 7,713 applicants of all categories were fixed up in employment by the 23 employment exchanges functioning in Pakistan. Out of these the number of refugees placed upto the week ending 26 February 1949, was 1,674. The number of women applicants placed during the month was 34. The number of disabled ex-Servicemen fixed up was 39, against 20 during the previous month. The total number of registrations effected at the employment exchanges during February 1949 was 19,773.

The employment exchange at Gujranwala has placed 240 workers with the metal works industries and supplied workers for Chemical Glass works, Ghakar, and Copper Industries at Wazirabad also. Employment exchanges at Rawalpindi and Lyallpur are supplying labour to the Central Ordnance Depot and No.501 workshop, Chakiala, and the Public Works Department, Lyallpur, respectively. Employment Exchange, Kohat, placed 85 men including 50 disabled ex-Servicemen with the O.T.C. there. The Appointments Branch of the Regional Employment Exchange, Karachi, placed two highly skilled electrical engineers registered with them at 1,000 rupees each, in the Sind Industrial Trading Estates.

Technical and vocational training.- The Department of Resettlement and Employment is running 34 training centres, out of which 6 continued to work as training-cum-production centres, during the month. The number of trainees, on roll on 26 February 1949, was 932 for technical training and 821 for vocational training. There were also 184 trainees at the War-disabled Training Centre, Meghalpura, so that the total number of trainees, on roll, during the month came to be 1,937.

Trades like stenographers, typists, draughtsmen, radio mechanics, armature-winders, die-sinkers, etc., are in shortage and arrangements to provide training in these trades have been made at different centres and institutions. Also to meet the acute shortage felt in press technicians, the employment exchange, Multan, has arranged for the training of 10 apprentices in printing work on a stipend of 15 rupees per head per mensem, with promise of subsequent employment.

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72. Vocational Guidance and Training.

India - May 1949.

India: Five-Year Plan for Expansion of
Technical Training Facilities: Scientific
Man-Power Committee's Report.

A five-year plan for the expansion of ~~the~~ training facilities to meet the anticipated shortage in certain categories of technical personnel has been recommended by the Scientific Man-Power Committee in their final report to the Government of India. This Committee was appointed about a year ago, with 15 eminent scientists under the chairmanship of Sir Shanti Swarup Bhatnagar, Secretary to the ~~Research~~ Department of Scientific and Industrial Research, Ministry of Industries and Supplies, Government of India.

According to the report the plan for the development of educational, research and training facilities in the country is to be worked out with the following features: establishment of four higher technical institutions as recommended by the All-India Council of Technical Training; creation of facilities for training in production engineering, design engineering, fuel and furnace technology and other special fields in certain selected institutions on a regional basis; establishment of a college of marine engineering and naval architecture or ~~workshop~~ creation of facilities for such training in one of the four institutions; and opening of new medical colleges to increase the outturn of doctors and establishment of post-graduate science departments in such Universities as do not have them at present.

The main approach to the problem of scientific man-power, according to the Report is to see to what extent the existing resources might be supplemented, reorientated and developed to meet the requirements. The Report notes with satisfaction that almost all scientific and technical institutions in the country have plans for expansion. Provision of facilities for research in various branches of science, technology, agriculture and ~~and~~ medicine is also contemplated.

Assuming that the expansion plans take about five years to be fully implemented and the planned increase in output obtained at the end of this period, the requirements for civil, electrical, chemical, mechanical and mining engineers, chemical ceramic, textile, leather and dairy technologists, chemists, physicists, mathematicians, statisticians and botanists, all of the senior and executive type, will be fully met. But still, the Report points out, ~~that~~ gaps will remain in the following

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categories: communication, aeronautical, automobile, metallurgical and marine engineers, fuel and furnace technologists, architects, geologists, geophysicists, zoologists, biologists and doctors. The shortage of doctors would be considerable.

Industrial Training.- The Report also deals with the industrial training of engineers and technicians, who, on passing out of the educational institutions, require "conditioning" before they can secure gainful employment. It discusses the possibilities that exist in the State-owned as well as private concerns for imparting training to scientific graduates, and urges that immediate steps ~~warrant~~ should be taken for the maximum utilisation of these facilities. According to the Report, it may be necessary for Government to introduce legislation to make it incumbent upon every industrial concern to provide training facilities for qualified candidates in all grades, irrespective of whether the persons thus trained will be required by the concern or not.

The Report recommends that trainees should be paid stipend to meet the expenses of their board and lodging, and industry and Government departments should recruit fresh graduates as officer trainees with the ultimate object of posting them as executive officers.

Overseas training scheme.- The Scientific Man-Power Committee also deals with the problem of overseas training. It feels that since enough money may not be available to send the desired number of students abroad, three or four understudies should be ~~attached~~ attached to each foreign expert, who comes to this country under a contract with the Government of India and a foreign firm.

(The Times of India, 16-5-1949)

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Fourth Meeting of All-India Council of
Technical Education, Calcutta, 28 April,
1949.

The fourth session of the All-India Council of Technical Education, held at Calcutta on 28 April 1949 was inaugurated by Dr. K.M. Katju, Governor of West Bengal; Mr. N.R. Sarker, Chairman of the Council presided. The meeting, among others, adopted a resolution recommending the creation of a central board for conducting examinations and awarding certificates in various technical trades.

Mr. Sarker during the course of his ~~gr~~ address said that the Government of India had agreed to finance the upgrading of 13 selected engineering institutes in India. On the Council's recommendation, the Government had agreed to sanction grants to the extent of 15 million rupees for capital expenditure and 3 million rupees for recurring expenditure. The site for the establishment of the higher technical institute for the eastern zone had been selected at Jijli, near Kharagpur. A similar institute ~~exists~~ in the western zone would be located at North Kurla, near Bombay. He also ~~said~~ said that a committee would soon commence work to ~~set up~~ a scheme for training engineers and technologists in industrial managements and business organisation.

Recommendations.— The Council recommended the creation of a central board for conducting examinations and awarding certificates in various technical trades. On the question of a national technical university the Council decided to obtain the views of the University Commission, (vide paragraph 94, page 89 of the report of this Office for November 1948).

A suggestion was made that the period of the existing courses of technical studies in Indian universities should be shortened without detriment to efficiency in order to meet the shortage of trained manpower. The Council decided that the all-India diploma course in engineering of three years' duration, approved by the Council, should be commended to the universities. The proposal for the provision of courses in industrial engineering in higher technical institutions was discussed at great length. Such a course, it was considered, would ~~enable~~ equip engineers and technically-trained persons with a correct appreciation of important problems, relating to finance, production, organisation and management of industries. This knowledge would forge a link, which would be of utmost importance in the building up of an industry, between the controllers and financiers on the one hand and engineers and technicians on the other. The Council referred the matter for closer examination to the Joint Committee of the All-India Board of Technical Studies appointed in 1948.

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The Council also urged the Government to take immediate steps to ensure that adequate training facilities for apprentices were made available in Government-run workshops and other industrial concerns.

(The third session of the All-India Council of Technical Education was summarised at paragraph 73, pages 84-85 of the report of this Office for May 1948).

(The Hindustan Times; 1-5-1949;
The Hindu, dated 30-4-1949).

India: Progress of Technical Training Schemes
Initiated by Government.

The Government of India initiated a technical and vocational training scheme in 1946, to increase the number of skilled workers and thus make possible the execution of post-war plans. Though the results have not been spectacular, progress has been steady. With a capacity to train 20,000 persons a year, the centres have so far turned out 15,000 young men and women who will strengthen the army of technicians so necessary for the industrial development of the country.

There are today 450 Government training centres all over the country training about 19,000 people. The syllabus for technical training covers about 50 engineering and building trades. Vocation training is provided in nearly 100 occupations and crafts connected with cottage and small-scale industries, commercial occupations and large-scale non-engineering industries.

These training schemes were originally established for ex-Servicemen, but later extended to displaced persons from Pakistan. About 10,185 of them are undergoing training today. In some provinces where the provincial Governments have agreed to bear the additional recurring cost, training centres have been opened to civilians. It is expected that when the present training schemes expire in July 1950, a new scheme will be put into operation, adapted to the requirements of civilian trainees on the lines recommended by the Advisory Committee on Technical Training in 1945.

Neither the existing number of technicians nor those undergoing training are sufficient for the country's present ~~requirements~~ requirements. It is estimated that Government and private industry require 30,000 ~~new~~ skilled workers a year. Thus, one of the most important problems facing the country is to expand training facilities. There is, however, no dearth of raw human material. The Government has on the waiting list 7,000 persons anxious to take advantage of the training.

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Apprenticeship training scheme.- In addition to these schemes, there is an apprenticeship scheme under which training is given in production work under factory conditions. At present there are 2,554 apprentices undergoing training in textile mills. For disabled ex-Servicemen special training is given to equip them, despite their disablement, to earn a livelihood in some independent trade which requires skill but little capital outlay.

The success of the training scheme naturally depends upon the supply of an adequate number of well-trained instructors and the Government has, therefore, started a training institute for instructors near Bilaspur, in the Central Provinces. The institute has a training capacity of about 400 in batches of 200 each. The training of instructors in engineering trades has already commenced and the institute will soon start the training of instructors for teaching cottage and small-scale industries.

(The Statesman, dated 16-5-1949).

India: Apprenticeship Training Scheme to be extended to all unemployed.

Dr. H. Das, Director-General of Resettlement and Employment, addressing a meeting of employers from Delhi and Ajmer-Merwara on 5 May 1949 said that the Ministry of Labour proposed to extend the facility of the Apprenticeship Training Scheme to all unemployed. This, he said, would keep down unemployment and increase the supply of skilled technical labour in the country. The meeting was called to discuss the working of the Apprenticeship Training Scheme for displaced persons.

At present the scheme is only limited to refugees. It was started in July 1948.

(The Hindustan Times, 6-5-1949;
The Statesman, dated 6-5-1949).

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Mysore: Board of Technical Education
to be set up.

A decision to set up a Board of Technical Education for Mysore State, which would act in an advisory capacity, review the courses of studies and practical instruction given in various existing institutions, propose courses of studies in the new technical ~~institutions~~ institutes to be started, and generally advise on all matters connected with technical education in Mysore, was taken at a conference held at Bangalore on 5 May 1949, presided over by Sir A. Ramaswamy Mudaliar, Dewan of Mysore, and attended among others by Mr. K.C. Reddy, Chief Minister, and Mr. D.H. Chandrasekharayya, Minister for Education. The appointment of a Director of technical education to supervise the working of various technical institutes in the State, and to advise the Technical Education Board and Government how best to co-ordinate the work in several institutes was also recommended.

The Conference expressed the opinion that there should be no duplication of effort in imparting technical education and emphasised the need for practical manual training in various courses of study, and further applied training in industrial concerns before diplomas are given.

(The Times of India, 6-5-1949)

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73. Migration and Colonisation.

India - May 1949.

Ninth Session of Ceylon Indian Congress,
Hatton, 22-24 April, 1949: Strong Opposition
to Citizenship Restrictions.

The Ceylon Indian Congress held its ninth annual session at Hatton from 22 to 24 April 1949. The session was inaugurated by Acharya J.B. Kirpalani and presided over by Mr. K. Rajalingam.

Demand for full citizenship rights.— The meeting unanimously adopted a resolution opposing the Ceylon Citizenship Act and the Indian and Pakistan Residents Citizenship Act (vide paragraph 73, pages 83-85 and 90 of the report of this Office for the months of August 1948 and February 1949 respectively), and asked Indians to ignore these Acts and boycott registration under them. The resolution characterised the provisions of these acts as "humiliating, discriminatory, anti-social, impracticable and ridiculous", and demanded that full citizenship rights, without any distinction between citizens by registration and citizens by descent, should be conferred on all Indians in Ceylon on compliance by them of a simple and easily ascertainable factual test of residence and declaration of intention to settle permanently in Ceylon to acquire citizenship. The resolution directed the Working Committee and Ceylon Indian Congress Committee to take all necessary or expedient steps in this connection.

Presidential address.— Mr. K. Rajalingam, President of the Congress, addressing the session ~~said~~ said that Indians settled in Ceylon were as much a part of the permanent population as the so-called indigenous sections. Criticising the enactment by the Ceylon Parliament of two measures defining the manner in which Indians settled in Ceylon may acquire citizenship, he said this was done in the teeth of opposition from the Congress and the considered views of the Indian Government.

Stating that the Indian labourer was not in any way responsible for the plight of the Kandyan peasant who was actually suffering from the ills of long tyranny and exploitation by his ~~own~~ own feudal chiefs, Mr. Rajalingam said that the majority of Indian labourers in Ceylon had no connection whatever now with ~~India~~ India. Some of them might occasionally go to India but their roots had sunk so deep in the soil of the country that they had no desire to have them pulled up in any manner.

(The Hindu, dated 23 and 24-4-1949)

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CHAPTER 8. SOCIAL SECURITY.

INDIA - MAY 1949.

31. Social Insurance.

Assam: Employees' State Insurance Act,
1948 extended to Excluded Areas .

By a notification dated 22 April 1949 the Government of Assam has extended the provisions of the Employees' State Insurance Act, 1948, to all the Excluded Areas in the Province.

(The Assam Gazette, Part II, dated
27 April 1949, page 567).

85. Benefits Organised or paid by Employers.

India - May 1949.

West Bengal: West Bengal Maternity Benefits
(Tea Estates) Act, 1948: Date of Enforcement.

By a notification dated 29 April 1949 the Government of West Bengal has directed that the West Bengal Maternity Benefit (Tea Estates) Act, 1948 (vide page 84 of the report of this Office for November 1948), shall come into force in the province as from 1 May 1949.

(The Calcutta Gazette Extraordinary,
dated 30 April 1949, page 390)

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CHAPTER 9. LIVING STANDARDS.

INDIA - MAY 1949.

95. Co-operation.

Co-operative Associations in India: Amalgamation
Into One Central Body recommended: Government of
India Committee's Report.

Amalgamation of the existing co-operative associations into one Central association and establishment of a Central council to advise the Ministry of Agriculture in co-operative matters have been suggested by a committee appointed last year by the Government of India to report on the co-operative organisation, finance and other allied matters. The committee was set up following the recommendations of the conference of Registrars of Co-operative Societies held in Madras in 1947 (vide pages 53-55 of the report of this Office for May 1947).

The committee has recommended that the three all-India associations at present in existence, namely the All-India Co-operative Institutes' Association, the All-India Provincial Banks Association and the Co-operative Insurance ~~Co-operative~~ Association, should be amalgamated into one body to be known as the Indian Co-operative Association. The two all-India co-operative conferences, one official and the other non-official, are likewise to be merged to form an Indian Co-operative Conference to be convened by the Association.

Central Co-operative Council to be set up to advise Ministry of Agriculture.— With a view to securing greater co-ordination between the Government and the non-official co-operative opinion, the establishment of a Central Co-operative Council consisting of nominees of the Co-operative Association and the Government has been suggested. This Council, it has been proposed, will act as an advisory body to the Central Ministry of Agriculture.

Co-operative finance.— The report makes a comprehensive survey of the present requirements of short-term co-operative finance and recommends certain amendments to the Reserve Bank of India Act in order to enable the bank to render more effective assistance to the co-operative movement. The extension of the period of accommodation (i.e. advancing of loans) to one year, widening of the scope of loans so as to include industrial co-operatives and the acceptance of demand promissory notes of co-operative societies or Central banks as collateral security for loans are some of the important recommendations in this connection.

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Amendment of Co-operative Societies Act, 1912,
suggested.— The report suggests that the Co-operative Societies Act of 1912 should be amended. With the advance of the co-operative movement in all directions, since the Act was passed, it is felt that several of its provisions have become obsolete or insufficient. It has been suggested that the provincial Governments should take up the question of ~~amending~~ amending the Act keeping in view ~~their~~ their past experience and future needs of the movement.

(The Hindustan Times, 23-4-1949).

Eighth All-India Co-operative Conference,
Bangalore, 14-15 May 1949: Decision to
organise Inter-Asian Co-operative Conference:
Indian Co-operative Union set up.

The eighth All-India Co-operative Conference, held in Bangalore on 14 and 15 May 1949, was inaugurated by Sir A. Ramaswamy Mudaliar, Dewan of Mysore; Mr. H.L. Kaji presided. The conference adopted, among others, a series of resolutions intended to consolidate the co-operative movement in Asia in general and India in particular which inter alia recommended the organisation of an Inter-Asian Co-operative Conference in New Delhi at an early date. The session also decided to set up the Indian Co-operative Union, which would, in future, control and guide the co-operative movement in India.

Presidential address.— Mr. Kaji in the course of his presidential address stated that co-operation was not a half-way house between capitalism and socialism and communism. It was an "ism" itself, with its own ideology where land, labour, capital, consumption, all had their due place. Where efficiency in production was happily harmonised with equity and fairness in distribution, and where the producer and the consumer were happy.

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Co-operation had a unique opportunity at the present juncture. Free India had accepted a co-operative commonwealth as its goal. Mere acceptance of a goal however had not much meaning. Earnest effort, decisive drive and active action were essential. In some provinces the pace of development had been great, but generally speaking, the spread of the co-operative movement in rural as well as in urban areas had not been taken up so far as the main item in the programme of the state. He emphasised that it was time that the supreme importance of co-operation in the economic development of India, in agriculture, trade and industry was definitely recognised and that special ministries both at the Centre and the provinces created for co-operation.

Reviewing briefly the ~~mis~~ plight of the agriculturists, artisans and the middle class people, Mr. Raji said that co-operative stores were the only solution and the State should make it one of its prime objectives to encourage the Store Movement throughout the country in villages, towns and cities. A sound consumers' movement, not only assisted the small consumer, but also worked as an effective weapon against black-marketing, hoarding, adulteration and falsification of weights and measures. He added that it was rather to create a co-operative mentality among the more educated sections of the nation in towns and villages that he pressed for a fuller attention to the urban movement and particularly to the consumers organisation. The intelligentsia so far wedded to individualism and capitalism had to be weaned and must cultivate a co-operative spirit. If co-operation had to become a national lever for the country's economic advancement, the aggression and aggrandisement so associated with the present day mentality could be replaced by the doctrine of economic love, so that a spirit of justice and equity, love and fellow feeling, hatred of exploitation, may create the atmosphere necessary for real co-operative advance even in villages.

Conditions in villages.— Referring ~~the~~ to the condition prevailing in villages, Mr. Raji said, that in villages the obsession of credit still held. The villagers were exploited by the sowcar, local shopkeeper and the local merchants. Unorganised supply of agricultural requisites like seed and manures, implements and cattle, and unorganised sale of agricultural produce were alarming and disastrous as unorganised ~~marketing~~ credit. The sooner the problems of co-operative supply and sale was tackled the better it would be for village economy. Co-operative credit had achieved a great deal. But co-operative marketing and co-operative sale held the future of co-operation in their hands. He opined that the State and the co-operative departments might concentrate more on bringing about greater efficiency of work than on mere organisation. It was high time that co-operation extended into all the aspects of the agriculturists' life and that the uncertainties of agriculture were protected against by the development of insurance for life for cattle and the crop.

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Suggesting the formation of co-operative societies for handloom weavers and artisans Mr. Kaji said that ~~even~~ ^{even} though competition from machine-made goods had disturbed the artisan and his art, yet in a large country like India with diverse local preferences about colour, texture and design, the cottage industries of India had ~~been bent and broken,~~ but were not dead nor dying. Properly stimulated and rejuvenated under the banner of co-operation, they had still a bright future in the body economic of India and it was gratifying to note that the State had recognised the importance of village industries. Industrial co-operatives were beginning to be formed and district and provincial associations had been established. If co-operation was the accepted basis of national reconstruction and if a co-operative commonwealth was the accepted goal of India, co-operative departments must ~~expand~~ ^{expand} and properly look after the great branches of the economic life of the country - finance, agriculture, trade and industry - by having a registrar in charge of each branch.

Need to make co-operation a people's movement. - Stressing that co-operation could not be allowed to remain a State policy and that it must be made a people's movement. Mr. Kaji said that the provinces there were the co-operative institutes or unions, which did useful work in this connection and recently on the recommendation of the Co-operative Planning Committee, provincial councils were being set up. He suggested that this process should be carried further so that Assistant and Deputy Registrars may ~~also~~ ^{also} have the benefit of district co-operative councils. The setting up of the Indian Co-operative Council was under contemplation. A special sub-committee was appointed to consider this along with other questions and it had definitely recommended that such a council should be set up. He was in agreement with the main recommendations of that sub-committee. A Council composed of the Minister in charge, ten representatives of Government and ten representatives of the Indian Co-operative Union and one representative of the Reserve Bank would be quite a good body to be entrusted with the task of ~~examining~~ ^{examining} reviewing, directing, stimulating and co-ordinating co-operation throughout the country.

Formation of Indian Co-operative Union. - Referring at length to the growth of co-operative associations Mr. Kaji suggested the formation of an Indian Co-operative Union representative of all provincial organisations in the different fields of co-operative endeavour. In the past there were periodical conferences of the Registrars, where the non-official co-operators were invited to attend as visitors. There were also conferences of cooperators where the cooperative officers were invited to attend as visitors. At both the types of conferences, the same problems were discussed and similar conclusions were arrived and the Special Committee of the Government of India had recommended the amalgamation of the two conferences into a single Indian Co-operative Congress to be convened by the Indian Co-operative Union, where ~~co-operation and~~ ^{co-operation and} ~~management~~

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cooperators and cooperative officials would sit together and discuss as members the problems before them.

Concluding, Mr. Kaji said that with special Ministries of Co-operation at the Centre and in the provinces and with the Co-operative Departments under Senior Directors assisted by Registrars in charge of credit, marketing industries and trading, with Indian and Provincial Co-operative Councils, the stage would be properly set for a quick and rapid development of the movement in all directions. Cooperation was culture and a Co-operative state ~~may~~ could not be built off the foundations of ignorance. To this end, a programme of adult education should be undertaken.

Resolutions.— The following were ~~the~~ among the more important resolutions adopted by the conference:—

1) Co-operative movement in Asia: Inter-Asian Conference to be held.— The conference adopted a series of resolutions intended to consolidate the cooperative movement in Asia in general and India in particular. As a first step in this direction the conference resolved to organise an Inter-Asian Co-operative Conference in New Delhi at an early date and requested the Government of India to extend adequate financial and other help for holding the Conference. The conference also resolved to call upon the International Co-operative Alliance to hold its 18th Congress in India in 1951. The Alliance was also requested to implement its resolution passed at its 17th Congress held in Prague last year on the promotion of co-operation in the cooperatively less advanced countries and to take early steps to further the movement in all Asian countries. For this purpose, the conference asked the Executive of the Alliance to organise its branch in Asia which might be suitably located at a central place in India.

1) Indian Co-operative Union set up.— It was decided to form an Indian Co-operative Union which would in future control and guide the cooperative movement in the country. The general body of the Union would devote its attention to the promotion and propagation of the cooperative movement in the Indian Union including the acceding States. It would organise cooperative education and training and conduct research in the field of cooperation. All future All-India cooperative conferences would be held under its auspices. The Union would also publish the "Indian Co-operative Review" and maintain a library. The membership of the Union would be open to all provincial cooperative societies, institutions and federations. The Union would have a general body and an executive committee with a President, three Vice-Presidents, a General Secretary and two Joint Secretaries in addition to twenty elected members.

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iii) Separate Ministry of Cooperation suggested.— The necessity for a separate Ministry for Cooperation both at the Centre and in the Provinces was reiterated by the conference as, in its opinion, the time had come when cooperation should be definitely accepted as the basis of the nation's ~~primary~~ economic policy.

Indian Cooperative Union: Office bearers.— After conclusion of its deliberations, the conference converted itself into the general body of the Indian Cooperative Union and elected the following office-bearers: Mr. H. L. Kaji, President and Mr. Lalbhai J. Patel, General Secretary.

(Text of the presidential ~~and~~ speech delivered at the 8th All-India Cooperative Congress received in this office; The Hindu, dated 15, 16 and 17-5-1949).

Survey of Co-operative Movement in India:
Striking Progress during the Last Decade.

According to a survey conducted by the Associated Press of India, the cooperative movement in India has a membership of nearly ten million and there is one cooperative society for every three villages in the country. The total number of cooperative societies in India is 180,000, with a total working capital of 1,640 million rupees.

The cooperative movement in India registered enormous progress in the last decade. In 1939, the number of cooperative societies totalled 122,000 with a working capital of 10.6 million rupees.

Rural cooperative societies.— The survey shows that India leads the world in rural cooperative societies. There are 147,000 societies, with a working capital of 330 million rupees and a non-credit turnover of about 300 million rupees in sales and purchases.

Cooperative banks.— Central cooperative banks in ~~and~~ India exceed 600, with a membership of 200,000 and a working capital of nearly 500 million rupees. Provincial cooperative banking organisations had a total membership of about 50,000 banks, societies and individuals, involving a working capital of about 500 million rupees.

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Agricultural and industrial loans.- Agricultural and industrial loans handled by the cooperative movement totalled 510 million rupees in 1945-46. Official all-India figures are not available for the subsequent years, but are understood to be in the vicinity of 600 million rupees.

State help.- The Central and provincial Governments have consistently allocated large funds for the development of the cooperative movement. Latest allocations include 800,000 rupees for the Central Cottage Industries Board, 1,059,000 rupees for cottage industries by the Bombay Government, and 5,200,000 rupees for special development and post-war reconstruction plans, also by the Bombay Government.

Cooperative farming.- The Central Government has started a cooperative farming scheme for the resettlement of displaced persons from Pakistan. The first phase of this plan will cover 250,000 acres in the Matsya Union. The provincial Governments, too have made special allocations for cooperative farming.

Cooperative marketing.- In the field of cooperative marketing, the turnover works out to about 45 million rupees as against loans amounting to nearly 13 million rupees granted to marketing societies.

Sale and purchase societies.- There has been a notable development of various sale and purchase unions for special commodities like cotton, sugarcane and ghee. The United Provinces shows striking success in the organisation of cane unions. The number of primary cane societies in the United Provinces is over 1000, handling on an average ~~approximately~~ 100 million maunds of cane. There are 100 cane unions covering nearly 20000 villages. In Bihar, the number of cane societies has increased during the last decade from 826 to nearly 4000 with a turnover of about 12 million rupees.

Consumers' cooperation.- The consumers' movement has also made considerable headway, with Madras Province getting the first place in the country. In Madras, the number of societies increased during the period under review from 85 to 1,346 with the turnover standing at 135 million rupees.

Consolidation of holdings through cooperative.- Another feature has been the consolidation of land and agricultural holdings through cooperation and most of the provincial Governments have enacted legislation for this purpose.

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94. Education.

India - May 1949.

Pakistan: East Bengal Educational System
Reconstruction Committee appointed.

The Government of East Bengal has appointed a Committee called the East Bengal Educational System Reconstruction Committee to advise the Government on the question of reconstructing the educational systems to suit the altered conditions. The Committee will consist of 16 members with Maulana Mohammed Akram Khan as its President.

The terms of reference are as follows:- to make recommendations to Government as to:- (i) the courses of study for free-primary, primary and secondary education; (ii) the best method of Madrasah education and of integrating the old scheme, the reformed scheme and high school systems of education into a composite whole teaching Islam and its principles more as a way of life than as a mere set of dogmas and rituals; (iii) provisions to be made for the minority communities who may want to have a system of education different from the one indicated under the foregoing clause; (iv) the ~~new~~ re-organisation of the present system of examinations with a view to eliminating its defects and replacement by a better system which will lay greater emphasis on the proper study and understanding of the subject than ~~was~~ on cramming; and (v) the most suitable system of education for girls including the courses of study and the method of its supervision and control.

(The Dacca Gazette, Part I,
dated 31 March 1949, pages 258-259).

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95. Social Conditions.

India - May 1949.

Bombay: Compulsory Social Service by Students:
Government appoints Committee to go into Questions.

In pursuance of a resolution passed by the Bombay Legislative Assembly in October 1948 the Government of Bombay has appointed a committee consisting of officials and non-officials to investigate into the question of compulsory social service by students of secondary schools and colleges during the course of their education. Miss Indumati Sheth, Parliamentary Secretary to the Premier of Bombay will be the chairman of the committee. This committee will work in consultation with a committee appointed by the Bombay University to report on the question of desirability of requiring the medical students to work for a specific period after passing the final examination and prior to receiving a degree, in rural areas.

(The Bombay Chronicle, 29-4-1949).

Directory of Social Service Agencies:
Committee appointed by Indian Conference
of Social Work.

The Indian Conference of Social Work has appointed a committee under the Chairmanship of Prof. P.A. Wadia to prepare a directory of social service agencies in Greater Bombay. The branches of the Conference are forming similar committees in other provinces and States in India, the object being ultimately to publish an All-India Directory of Social Work.

(The Bombay Chronicle, 13-5-1949).

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CHAPTER 10. INDUSTRIAL SAFETY.

INDIA - MAY 1949.

101. Prevention of Accidents.

Pakistan: Oil-Field Regulations, 1949:
Draft published.

The Government of Pakistan published on 15 May 1949 the draft Oil-Field Regulations, 1949, proposed to be made in exercise of the powers conferred by section 29 of the Mines Act, 1923 (IV of 1923). The draft regulations which apply to every oil-well and boring for oil prescribe inter alia the various annual returns and notices to be furnished by the owner, agent or manager of every oil-well, the manner of notification of accidents, the precautions that should be observed against fire and other safety measures such as fencing of machinery, guard, etc. The draft regulations will be taken into consideration by the Government after 6 August 1949.

(The Gazette of Pakistan, Part-I, Section 1,
dated 15 May 1949, pages 250-254).

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CHAPTER 11. PROBLEMS PECULIAR TO CERTAIN OCCUPATIONS
OR CATEGORIES OF OCCUPATIONS.

INDIA - MAY 1949.

III. Agriculture.

Pakistan: West Punjab Alienation of Land
Inquiry Committee appointed.

The Government of West Punjab has appointed a committee known as the Alienation of Land Enquiry Committee consisting of 5 persons with Mr. Abdul Aziz as Chairman. The terms of reference of the Committee are to consider whether the provisions of the Punjab Alienation of Land Act, particularly those discriminating between one tribe and another, are suitable in the present circumstances in the West Punjab, and, if not, to make alternative proposals bearing in mind the necessity of protecting the small landowner from over-borrowing and its consequences, and to inquire into and make recommendations on any matters arising out of or closely connected with the terms of reference.

A comprehensive 42-point questionnaire has been drawn up by the committee to elicit public opinion. The questionnaire seeks information on unrestricted alienation and restriction of credit, acquisition of agricultural lands for the expansion of industry by the Government in suitable rural areas regardless of all restrictions on alienation, etc.

(The West Punjab Gazette, Part I,
dated 29 April, 1949, pages 175-179)

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Central Provinces and Berar: Agricultural
Policy Committee set up.

The Government of the Central Provinces and Berar has appointed a Committee called the Central Provinces and Berar Agricultural Committee consisting of eight persons with Mr. P.S. Khankhoje as chairman to examine and report on certain matters relating to agriculture.

The terms of reference of the Committee are the following: (i) to examine and report on the present system of agricultural education imparted in the institutions in the province and to make suitable recommendations with a view to increasing its utility to the farmers in general and to adapt it to the purpose of promoting research in matters of vital interest concerning agriculturists and for the training of suitable personnel for manning the Agriculture Department; (ii) to examine the existing organisation and conduct of research in the Agriculture Department and to recommend ways and means of intensifying it so that it may be made more effective for the solution of the problems of the agriculturists; (iii) to examine and report generally on the present set up of administration in the Agriculture Department in the province with particular reference to the working of experimental and demonstration farms and plots; (iv) to examine the present method of technique of propaganda in the province and to suggest improvements in order to carry the message of modern agriculture to the cultivators and devise means for bridging the gulf, if any, between the ~~xxxxx~~ Agriculture Department and the tiller of the soil and to suggest methods of co-ordination through non-official agencies so as to meet day-to-day needs and problems of the agriculturists; (v) to examine the possibility and scope of mechanised cultivation and co-operative farming having regard to Indian conditions and to make suitable recommendations inter alia on the following points:- (a) is mechanisation of agriculture necessary and desirable; (b) if so, to what agricultural operations it should be extended in the initial stages and in what manner should be worked out; and (c) in what form or pattern co-operative farming ~~is~~ should be encouraged in view of the existence of a large number of small holdings and what should be the nature and period of State assistance, if any? and (vi) to examine and make recommendations on any other relevant points arising out of the subject matter mentioned above.

(The Central Provinces and Berar Gazette,
Extraordinary, dated 6 May 1949, pages
253-240).

114. Officials.

India - May 1949.

Madras: Retirement Benefits for Government
Servants: Scheme approved.

The Government of Madras has approved of a scheme for pension-cum-provident fund-cum-insurance for Government servants which provides for half pension and half provident fund. The insurance of Government servants will be compulsory; and they will be required to contribute to the provident fund at not less than an anna in the rupee of their salary. The scheme will apply to new entrants and Government servants of less than ten years' service after confirmation. The scheme also provides for a pension at the rate of 25 per cent of the average emoluments drawn by the employee for three years before his retirement.

An actuary will be appointed shortly to work on the details of the scheme, on the basis that the Government's contribution to the Provident Fund will be nine pies in the rupee.

(The Hindu, dated 26 April 1949).

West Bengal: Participation in Politics by
Government Servants prohibited.

Government Servants in West Bengal have been directed not to take part in or assist any political movement within or outside India. The provincial Government has stated in a circular letter that every Government servant was entitled to hold his own political views. He must not, however, openly subscribe to any political faith or dogma as it was bound to interfere with the carrying out of the Government's policy.

(The Hindu, dated 20 May 1949).

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117. Shopworkers.

India - May 1949.

Bombay: The Bombay Shops and Establishments
(Amendment) Act, 1949, (Bombay Act No. XVII of
1949).

The Government of Bombay gazetted on 9 May 1949 the Bombay Shops and Establishments (Amendment) Act, 1949 (Bombay Act No. XVII of 1949). The Act amends the references to the Factories Act, 1934 wherever they occur in the Bombay Shops and Establishments Act, 1948, as they are inconsistent with the coming in to force of the Factories Act, 1948.

(The Bombay Government Gazette, Part IV,
dated 9 May 1949, pages 119-120).

Bombay: Bombay Shops and Establishments Act,
1948: Exemptions.

By a notification dated 14 and 28 April 1949, the Government of Bombay has exempted the following establishments from operation of the provisions of the Bombay Shops and Establishments Act, 1948: (1) establishments maintained in connection with the petrol service stations and petrol pumps; (2) staff offices of air services companies; (3) offices of Agricultural Produce Market Committees established under the Bombay Agricultural Produce Markets Act, 1939; and (4) establishments pertaining to any kind of educational facilities. The Government has also exempted certain other establishments from specified provisions of the Act.

(Notification No. 8/48-I, dated 28 April
1949; -

The Bombay Government Gazette Extraordi-
nary, dated 28 April 1949, pages 926-928
and 986-988).

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Central Provinces and Berar: The Central Provinces and Berar Shops and Establishments (Amendment) Act, 1949 (Central Provinces and Berar Act No. XXVI of 1949).

The Central Provinces and Berar Shops and Establishments (Amendment) Bill, 1948 (vide page 83 of the report of this Office for April 1949), as passed by the provincial Legislature, received the assent of the Governor of the province on 27 April 1949 and has been gazetted as the Central Provinces and Berar Shops and Establishments (Amendment) Act, 1949.

(The Central Provinces and Berar Gazette, Part III, dated 6 May 1949, page 393)

Travancore: The Travancore Shops and Establishments Bill.

The Government of Travancore State has published in the Travancore Gazette Extraordinary dated 18 January 1949, a bill to provide for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments and for certain other purposes.

The Statement of Objects and Reasons appended to the bill states that there is no enactment in Travancore regulating the conditions of work of employees in shops, commercial undertakings, restaurants, etc. Representations have also been received by Government urging the necessity to introduce legislation to safeguard the interest of such employees. Government considers that a comprehensive measure to regulate these matters on the lines of similar enactments in force in the adjoining Cochin State and the Madras Presidency is necessary in Travancore also. The bill is intended to give effect to this object.

The Statement of Objects and Reasons further says that the provisions of the bill will come into force in the first instance in the city of Trivandrum and in all municipalities on a date to be fixed by Government for this purpose. Power has also been taken by Government to bring the provisions into force in other areas, when necessary. The bill will apply to persons employed in shops, commercial establishments, restaurants, theatres, etc., but will not apply to certain establishments and persons, e.g., establishments under the Government or local authorities.

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The provisions of the bill enable the Government to fix the opening and closing hours for shops, commercial establishments, restaurants, etc. The sale of goods other than newspapers in or adjacent to a street or public place after the closing hour fixed for shops in that locality has been prohibited. Suitable limits relating to daily and weekly hours of work, intervals for rest and spread over of ~~the~~ periods of work and rest have also been fixed. Provision is also made for granting the persons employed a compulsory holiday for one day in a week and if required by Government, a half-holiday also in a week. Further the employment of children (persons under the age of 14) and young persons who have completed fourteen but not seventeen years, and of women, before 6 a.m. and after 7 p.m. are also prohibited. The daily weekly hours of work for women and young persons have also been fixed. ~~The provisions of the bill~~ Chapter V of the bill contains provisions for securing the health and safety of the employees, and Chapter VI provides for the grant of annual holidays with pay to them. These chapters are based upon certain provisions in the Travancore Factories Act, 1114 (Malayalam era). The provisions in Chapter VII are intended to ensure prompt payment of wages and the prohibition of unauthorised deductions from wages which follow mainly those of the Travancore Payment of Wages Act, 1116 (Malayalam era).

(Indian Labour Gazette, March, 1949).

Assam: Assam Shops and Establishments Rules,
1949: Draft published.

The Government of Assam published on 27 April 1949 the draft Assam Shops and Establishments Rules, 1949, proposed to be made under the Assam Shops and Establishments Act, 1948 (vide pages 96-97 of the report of this Office for July 1948). The rules prescribe inter alia the method of inspection of shops and establishments, the various registers that should be maintained by shop keepers or employers and other matters necessary for the enforcement of the Act. The draft rules will be taken into consideration by the Government after 15 May 1949.

(The Assam Gazette, Part II, dated
27 April 1949, pages 577-584).

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Pakistan: Sind Shops and Establishments
Act, 1940: Exemptions.

By a notification dated 29 April 1949, the Administrator of Karachi has exempted all banks in Karachi from the provisions of sections 10, 11 and 12 of the Sind Shops and Establishments Act, 1940, subject to the following conditions: (a) that extra wages will be paid to every employee for overtime and for loss of weekly holidays and that the employee will get accumulated holidays, and (b) that a notice showing the overtime allowance due to each employee shall be put up on the notice board. (Sections 10, 11 and 12 of the Act deal with opening and closing hours of commercial establishments, weekly and daily hours of work and spread-over of work respectively).

(The Gazette of Pakistan, Part IIA,
dated 6 May 1949, page 44)

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LIST OF THE MORE IMPORTANT PUBLICATIONS RECEIVED
RECEIVED IN THE NEW DELHI OFFICE DURING
MAY 1949.

International Labour Organisation

- 1) Bombay Municipality: Administration Report of Municipal Chief Auditor for the year 1947-48; Municipal Printing Press; pp. 74.
- 2) Administration Report of the Municipal Commissioner for the City of Bombay for the year 1947-48; Bombay Municipal Printing Press, 1948; pp. xi x 305 x 84.

Professional Organisations

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