

INTERNATIONAL LABOUR OFFICE
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Report for March, 1940.

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

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1

National Labour Legislation.

Government of India.--

Coal Mines Safety (Stowing) Amendment

Act, 1940. +

On 1-3-1940, Sir A. Ramaswamy Mudaliar, Member in charge of the Labour Department, Government of India, introduced a Bill in the Central Assembly to amend the Coal Mines Safety (Stowing) Act, 1939. It is sought to make it permissible to finance from the Coal Mines Stowing Fund, set up under the Act, measures to extinguish fires in mines, as also protective measures generally, such as strengthening of boundaries between mines and prevention of inundation of mines.

(The Gazette of India, Part V,
dated 9-3-1940, pages 109 to 111).

The Bill was passed by the Assembly on 6-3-1940 and by the Council of State on 21-3-1940 (The Statesman, dated 7 and 23-3-1940). The Act received the Assent of the Governor General on 26-3-1940 and is published in the Gazette of India, Part IV, dated 30-3-1940, pages 53 to 54.

Government of India.--

The Indian Mines (Amendment) Bill, 1940. +

On 18-3-1940, the Hon'ble Sir A. Ramaswami Mudaliar, Member in charge of Commerce and Labour, Government of India, introduced in the Central Assembly a Bill to amend the Indian Mines Act, 1923. The statement of Objects and Reasons appended to the Bill points out that in certain coal mines coal raising contractors are employed, who are paid a fixed rate per ton of coal raised from the mine and who have to meet the cost of all materials used in the mines and who are responsible for the payment of all salaries and wages, including those of the supervising staff. As these contractors are not the owners of the mines, their interest lies merely in raising coal as cheaply and in as large quantity as possible, while the proper and safe working of the mine is of little importance to them. In many of these cases, the owner of the mine has no idea of mining methods and does not concern himself with the working of the mine. The employment of raising contractors thus leads to unmethodical and unsafe methods of working. In order to ensure the efficient supervision of mines, the Coal Mining Committee recommended that regulations should be framed under the Indian Mines Act providing for the payment by the owner of the mine of the salaries and wages of the manager, supervising staff, attendance clerks, and all persons employed in connection with the raising and lowering of persons. The supervisory staff would then be responsible to the owner and not to the contractor and would see that the provisions of the Indian Mines Act and the regulations and rules framed thereunder, are properly enforced in the mine. The Government of India have accepted the recommendations of the Committee, but there is no provision in Section 29 of the Mines Act under which regulations

of the type recommended by the Committee can be framed. It is accordingly proposed to insert certain provisions in Section 29 to secure the object in view. The opportunity has been taken to include in the Bill also two minor amendments to Sections 10 and 19 of the Indian Mines Act, 1923.

(Gazette of India, Part V, dated 23-3-1940, page 161).

Assam.

The Extra-ordinary Pension (Assam Services) Rules, 1940.

The Assam Government has on 6-3-1940 promulgated the Extra-ordinary Pension (Assam Service) Rules, 1940, applying to certain Government employees other than those to whom the Workmen's Compensation Act, 1923, applies. Government servants who are under the rule-making control of the Governor of Assam, and who entered service under the Government of Assam on or after the 1st April 1937, or who having entered such service before the 1st April 1937, did not hold a lien or a suspended lien on a permanent post on that date, are covered by the Rules, whether they are permanent or temporary and whether they are on time-scale of pay or fixed pay or piece-work rates.

The Rules provide for the grant of a gratuity or pension to the victim of an injury or disease met with or contracted in the course of his duties according to the nature of the injury. Injuries are graded as: (1) equal to loss of limb, (2) very severe, (3) severe and likely to be permanent. In case the victim dies of an injury or disease, his widow and children are granted a gratuity or pension as the case may be; in assessing the amount of compensation, contributory negligence of the victim will be taken into account. The benefits under these Rules will not affect any other pension or gratuity to which the victim or his widow and children are otherwise entitled. For the purpose of the Rules "disease" means (i) venereal disease or septicaemia contracted by a medical officer as a result of attendance in the course of his official duty on an infected patient or of conducting a postmortem examination in the course of that duty, or (ii) disease solely and directly attributable to an accident.

(Notification No. 952-F(a) dated 6-3-1940: The Assam Gazette, Part II, dated 13-3-1940, pages 493 to 498).

(A cutting from the Assam Gazette of the above Notification was forwarded to Geneva with this Office's Minute A8/265/40 dated 21-3-1940).

Assam.

The Assam Motor Vehicles Rules, 1940.

The issues of the Assam Gazette Extraordinary, dated 1-3-1940 and 12-3-1940 publish the above Rules which the Assam Government has made under the Motor Vehicles Act, 1939. Rules Nos. 94, 95 and 96 relate to the hours of work and period of rest of motor drivers; these rules

are on the same lines as the draft Bombay Motor Vehicles Rules, 1940, details of which are given in the section: "National Labour Legislation" of this report.

(Notification Nos. 2013-H dated 1-3-1940 and 2519-H dated 11-3-1940: The Assam Gazette Extraordinary issues dated 1-3-1940 and 12-3-1940, pages 36-60 and 70-145 respectively).

Assam.

The Assam Maternity Benefit Bill, 1940.

Mr. Arun Kumar Chanda introduced on 29-2-1940 a Bill in the Assam Legislative Assembly to make provision for the payment of maternity benefits to women workers. The salient features of the Bill are:- (1) it applies to factories, plantations, oil fields and mines, (2) maternity leave is to be made available for four weeks before and eight weeks following delivery, (3) benefits are payable for a maximum of 12 weeks at the rate of average daily earnings or eight annas whichever is greater. (4) qualifying period is six months, (5) employer is to provide or pay in full for free medical attendance, (6) a cash bonus of Rs. 10/- is to be paid, (7) facilities for feeding the child after the mother's rejoining of work are to be provided, (8) creches are to be provided, and (9) 3 weeks' leave with full pay in cases of miscarriage is to be given.

The text of the Bill is published in the Assam Gazette, Part V, dated 6-3-1940, pages 19 to 24. (A copy of the Bill was sent to Geneva with our Minute A8/265/40 dated 21-3-1940).

Bengal.

The Bengal Motor Vehicles Rules, 1940.

The above are Rules which the Government of Bengal has made under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 93, 94 and 95 relating to hours of work and period of rest of motor drivers. These Rules are to come ~~xxx~~ into effect from 1-4-1940.

(Notification No. 573 P.I. dated 12-3-1940: The Calcutta Gazette, Part I, dated 14-3-1940).

Bihar.

The Draft Bihar Motor Vehicles Rules, 1940.

The above are Rules which the Bihar Government has made under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 74, 75 and 76 relating to hours of work and period of rest of motor drivers.

These Rules are to come into force from 1-4-1940.

(Notification No. 1020-P dated 28-3-1940. The Bihar Gazette, Extraordinary, dated 30-3-1940. pages 1-140).

Bombay.

The Bombay Rent Restriction (Amendment) Act, 1940.

According to one of its clauses, the Bombay Rent Restriction Act, 1939, is due to expire on 31-3-1940 (vide page 4 of our June 1939 report). The Government of Bombay recently decided to extend the date of expiry of the Act to 31-3-1941, and for the purpose this amended Act has been passed.

(The Bombay Government Gazette, Part IV, dated 26-3-1940, page 69).

Bombay.

The Draft Bombay Motor Vehicles Rules, 1940.

The above are the Rules which the Bombay Government proposes making under the Motor Vehicles Act, 1939. Rules Nos. 79, 80 and 81 relate to hours of work and periods of rest of motor drivers; they exempt military, fire brigade and ambulance vehicles, as also vehicles used in emergencies arising out of fire, earthquake, flood, pestilence, etc, from the operation of section 65 (1) of the Act regulating hours of work. The rule relating to periods of rest (Rule 81) provides that time spent by the driver of a vehicle on work in connection with the vehicle or load carried in it, cannot be counted as an interval of rest; but any time spent by a driver inside a vehicle which is at rest and during which he is at liberty to leave it for rest or refreshment, although required to remain within sight of the vehicle, is to be reckoned an interval of rest.

(Notification No. 2809/39-I dated 29-2-1940. The Government Gazette, Bombay, Part IV-A, Extraordinary dated 2-3-1940. pages 162 - 346)

C.P.

The C.P. and Berar Motor Vehicles Rules, 1940.

The above are Rules which the C.P. Government has made under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 75, 76 and 77 relating to hours of work and period of rest of motor

drivers. These rules are to come into force from 1-4-1940.

(Notification No. 1020-P dated 28-3-1940. The Bihar Gazette, Extraordinary, dated 30-3-1940, pages 1 - 140).

Delhi.

The Delhi Motor Vehicles Rules, 1940.

The above are Rules which the Chief Commissioner, Delhi, has made under the Motor Vehicles Act, 1939, for the Province. Attention is directed to Rules Nos. 4.35 and 4.36 relating to hours of work and rest period of motor drivers. These Rules ~~are~~ come into force from 1-4-1940.

(Notification No. 12(3)/40-General, dated 21-3-1940: The Gazette of India, Part II-A, dated 30-3-1940, pages 490 - 645).

Madras.

Returns re. Wages and Attendance under Factories Act.

A draft notification has been issued by the Madras Government requiring factories coming under the Factories Act to send annual returns relating to the total wages paid during the year to their workers (classified under men, women, boys and girls), the aggregate attendance on working days or the number of man-day's work put in by the workers classified according to sex and age, the average number of workers (by sex and age) employed daily, the average wages per worker (by sex and age) per day, and the total normal hours of work per day (classified by sex and age). The draft is to be taken into consideration by 15-6-1940.

(Notification No. 214. G.O.Ms. Nos 502 Development, dated 2-3-1940: The Fort St. George Gazette, Part I, dated 19-3-1940, pages 404 - 405).

Madras.

The Draft Madras Motor Vehicles Rules, 1940.

The above are Rules which the Madras Government proposes making under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 215, 216 and 217 relating to hours of work and period of rest of motor drivers; these rules are on the line of the draft Bombay Motor Vehicles Rules, 1940, referred to in the section, "National Labour Legislation" of this report. Objections and suggestions have to be submitted by 12-3-1940, on which date the draft ~~will~~ be taken into consideration.

(Notification No. 223. (G.O. No. 943, Home) dated 26-2-1940: The Fort St. George Gazette, Madras, Part I, dated 27-2-1940, pages 268 - 304).

Orissa.

The Orissa Draft Motor Vehicles Rules, 1940.

The above are Rules which the Orissa Government proposes making under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 93, 94 and 95 relating to hours of work and period of rest of motor drivers. Objections or suggestions are to be submitted by 10-3-1940, after which date the draft will be taken into consideration.

(Notification No. 326-P. dated 14-2-1940: The Orissa Gazette, Part III, dated 23-2-1940. pages 33 - 196).

Punjab.

The Punjab Motor Vehicles Rules, 1940.

Attention is drawn to the above Rules, which the Punjab Government has made under the Motor Vehicles Act, 1939. Rules Nos. 4.40 and 4.41 relate to hours of work and period of rest of motor drivers.

(Notification No. 1099-H.G.-40/12160 dated 15-3-1940: The Punjab Government Gazette, Part I, dated 15-3-40, pages 446 - 640).

Sind.

The Sind Motor Vehicles Rules, 1940.

The above are Rules which the Sind Government proposes making under the Motor Vehicles Act, 1939. Attention is directed to Rules Nos. 76, 77 and 78 relating to hours of work and period of rest of motor drivers; these rules are on the lines of the draft Bombay Motor Vehicles Rules, 1940, referred to elsewhere in the section "National Labour Legislation" of this report, and are to come into force from 1-4-1940.

(Notification No. 1878-H/40 dated 9-3-1940: The Sind Government Gazette, Part IV-A, Extraordinary, dated 11-3-1940, pages 326 - 504).

United Provinces.

The United Provinces Motor Vehicles Rules, 1940.

The above are Rules which the U.P. Government has made under the Motor Vehicles Act, 1939. Rules Nos. 74, 75 and 76 relate to hours of work and periods of rest of motor drivers; they are on the lines of the draft Bombay Motor Vehicles Rules, 1940, referred to elsewhere in the section: "National Labour Legislation" of this report. These rules are to come into effect from 1-4-1940.

(Notification No. 1088/VIII-1023 dated 30-3-1940: The U.P. Government Gazette, dated 30-3-40, part I-A, pages 77 - 209). +

Baroda.

Baroda Payment of Wages Act, 1940.

It is understood that Baroda State has adopted, with modifications, the Payment of Wages Act, 1936, of British India for application in the State. The main provisions of the Baroda Act are:

(i) The wages of every person employed in any factory in which less than 1,000 persons are employed, shall be paid before the expiry of the tenth day after the last day of the wage period. (ii) The total amount of fine which may be imposed in any one wage period on any employed person shall not exceed an amount equal to one anna in the rupee of the wages payable to him. (iii) The Act provides for an appeal against a direction made for workmen's compensation, (a) by the employer if the total sum directed to be paid by way of wages and compensation exceeds Rs. 150/- or, (b) by an employed person if the total amount of wages claimed to have been withheld exceeds Rs. 25/-.

(The National Call, dated 22-3-1940).

Burma.

Burma Laws (Adaptation) Bill, 1940.

Attention is directed to the Burma Gazette, Part III, dated 16-3-1940, pages 53 to 80 where is published the Burma Laws (Adaptation) Bill, 1940, which re-states the laws in force in Burma on 1-4-1937, with amendments not affecting the substance. Several enactments relating to labour are sought to be amended by means of the Bill. The restatement has been made in consequence of the separation of Burma from India. +

Creation of Benevolent Fund by Companies:
Resolution on Profit-Sharing in the Central Assembly Withdrawn.

On 28-2-1940, Mr. H.A.Sathar H. Essak Sait moved in the Central Assembly the following resolution:

"That this Assembly recommends to the Governor General in Council to take immediate steps for labour legislation providing the following points:-

- (a) A representative of workmen should sit on the Boards of Directors and Boards of Management (if any) of all public companies.
- (b) No Company should be permitted to declare more than 6 per cent. dividend to be distributed among the share-holders. If the dividend falls short from the bank rate of interest in any year it should be treated as a liability to be made good from the profits of the future years.
- (c) The surplus profit after paying the working expenses, depreciation, dividend to share-holders and other taxes should be deposited in a Benevolent Fund, which should be available for the benefit of workmen, other employees, and the shareholders in specified proportion. The Benevolent Fund should be independent of the Provident Fund, if any, and it should be administered by a Committee, which should include a nominee of the Government and the representatives of workmen and of the Board of Directors.
- (d) No person connected with the management of the Company should get more than two thousand rupees in salary and allowance, with the exception of experts who may be appointed for short periods.
- (e) Profits should not be spent on capital expenditure without the consent of the Committee of Management of the Benevolent Fund."

Discussion on the resolution was continued on 27-3-1940. Mr. T.S. Pillay, Deputy Secretary, Commerce Department, opposing the resolution on behalf of the Government, pointed out that if the basic idea of the resolution was that workers should get a share in the management and profits of public companies, then, even trade unions in industrially advanced countries in the West did not favour profit sharing; their efforts had on the whole been directed to keeping the general level of wages as high as possible. The Labour Commission in India also held the view that in the present stage of industrial development such schemes as profit sharing were unlikely to prove effective. Mr. Pillay declared it would be inopportune to contemplate any legislation on any points raised, as such action, in effect, would tend to discourage capital ^{and} industrial enterprise.

Mr. Essak Sait thought that the resolution had served its purpose of focussing attention on the question of labour discontent and measures to deal with it, and he therefore withdrew the resolution.

(The Statesman, 28-3-1940)

9

Conditions of Work.

Wages

Grant of City Allowance to Temporary Inferior
Servants in United Provinces. ✓

A press communiqué recently issued by the Government of The United Provinces states that the Government has decided to extend from 1-4-1940 to those inferior Government servants who are paid from contingencies or who are temporary, a city allowance of Rs.2 per mensem in Cawnpore, Lucknow, Allahabad, Nainital and Mussoorie, and Re.1 at all other district headquarters. A similar allowance was given from 1-4-1939 to permanent inferior Government servants.

(The Leader, dated 21-3-1940). . .

10

Industrial Disputes.

Stay-in-Strikes Illegal?

Representation by Employers' Federation of Northern India. ✓

Stay-in-strikes and the methods of dealing with them have of late been attracting considerable attention in this country. In November, 1939, the Bengal Government issued a warning to workers to the effect that stay-in-strikes are illegal and render all those who participate in them liable to prosecution. Even as early as August 1938, the same Government had issued a letter to all District Magistrates, Police Officers and Circle Officers drawing their attention to stay-in-strikes, and stating that under certain circumstances action can be taken against workers participating in such strikes.

But the attitudes of the various provincial Governments have not been uniform. In February 1940, consequent on a stay-in-strike from 15-2-1940 in a tobacco factory at Saharanpur, U.P., the subject was taken up with the U.P. Government by the Employers' Federation of Northern India, Cawnpore. In separate representations made on 23-2-1940 to the Labour Commissioner, U.P., and the Chief Secretary to the Government, U.P., the Association has taken up the position that the stay-in-strikers have committed offences under Sections 141 and 441 of the Indian Penal Code.

The District authorities, however, have taken no action in the matter, on the ground that they can only take action when there is a breach of peace.

The matter is pending.

(Extracted from Circular No.23 dated
24-2-1940, issued by the Employers'
Federation of India, Cawnpore). +

Labour Dispute in Travancore Coir Matting Industry:

Report of the Board of Conciliation. ✓

Reference was made at pages 17 to 18 of our November 1938 report to the dispute between the employees and the employers of the coir matting factories at Alleppey, Travancore, and to the appointment of a Board of Conciliation to settle the dispute. The Board submitted, some time back, its report, and its recommendations were considered at a Conference attended by representatives of both employers and workers connected with the industry, held under Government auspices on 28-1-1940. The salient features of the report of the Board which has now been published, are summarised below:

Over-production in the Industry.- The Board observes that there has been a phenomenal increase in the production and export of coir mattings during the post-war period. The increase under exports of mats is not so striking as in the case of mattings, but is nevertheless, very marked. There are too many factories, too much plant, and too much labour in the industry with the result that there is intense competition, dwindling profits, wage cuts and unemployment. The industry is therefore faced with a serious crisis.

Licensing of Labour to control Supply.- The labour supply, observes the Board, has far out-run the demand, and the industry is not now in a position to employ all workmen regularly or for the maximum number of hours prescribed in the Factories Act. It is high time to impose some kind of control on the indiscriminate flow of labour into the industry. As a remedial measure, the Board suggests that all the labourers who are in the industry at present or were in it till recently should be required to hold licences issued on a nominal fee. No unlicensed worker should be allowed to work in the factories and no more licences should be issued for the next five years, unless there is a demand for increased labour from a duly constituted organisation of factory-owners. The Board is of the view that it is better to give regular employment, as far as possible, to a definite number of workers rather than partial employment to a larger number.

Wage Position.- After discussing the wages issue in detail, the Board expresses the opinion that the one anna in the rupee increase, which the factory-owners undertook to pay as a temporary measure at the conclusion of the general strike in 1938, should be made permanent. It should be made incumbent on all employers and should also apply to the sorting, re-banking and baling workers in the firms exporting coir yarn. On the question of immediate increase in the rates of wages in the existing circumstances, the Board is unable to make an agreed recommendation. But it feels confident that a substantial and, at the same time, permanent improvement in the real wages of the workers will be brought about when measures are adopted implementing their recommendations on such fundamental questions as standardisation of wages, limitation of labour supply, payment of wages, rationalisation of the industry, etc.

Welfare Work.- Dealing with questions relating to industrial relations and welfare work in the coir matting industry, the Board suggests that in the interests of employers as well as of the workers, closer personal relations should be established between them. The Board further observes that labour welfare work should be undertaken in co-operation between the employers and the workers. The present indifferent attitude of the employers towards welfare schemes should be changed into one of practical sympathy.

General.Abolition of Begar (Forced Labour) in Loharu State.

The Nawab of Loharu State (a small Indian state in the Punjab) *has* made a declaration in March 1940 on the occasion of his birthday *anniversary* completely prohibiting begar (forced labour) in the State.

(The Statesman, dated
25-3-1940). +

Economic Conditions.

Board of Scientific and Industrial Research established
by Government of India. ✓

The Government of India has decided to set up a Board of Scientific and Industrial Research with effect from 1-4-1940.

Functions of the Board.- The Board will be a consultative body and its functions will be to advise Government as to the lines on which industrial research should be conducted and the channels into which it should be guided in order to ensure the co-ordinated development of India's industries, particularly those the importance and possibilities of which have been prominently brought into the foreground as a result of war conditions. The war has deprived India of some of its essential imports and has curtailed others with the result that some of the major existing industries are finding difficulties in maintaining their normal working. On the other hand, demands for war materials from the Empire and allied countries and also for India's own requirements in this field call for an increase in industrial activities in India. The Government has therefore decided that, in order to enable India to make a fitting contribution to the war for all the Allies and to take this opportunity of stimulating her existing industries and of exploring the fresh field of development created by the war, research work should be conducted on a larger scale than at present.

The Board will utilise and co-ordinate the work of the existing organisations already employed in this field. It will survey the work that is being done by them, invite proposals from all sources, initiate discussions and make recommendations to the Government, who will prescribe from time to time the general lines on which industrial research should be undertaken and pursued. The Board will also recommend to the Government what specific problem should be assigned for investigation to the staff directly under the Board on the one hand and to the various scientific and research institutions in the country, including Universities' laboratories, on the other.

Composition of the Board.- The Commerce Member of the Government of India will be the Chairman of the Board, and the Chief Controller of Stores, Indian Stores Department, will be its first Vice-Chairman. The Government have been able to secure the services of Dr. Bhatnagar, head of the Punjab University Chemical Laboratories, as Director of Scientific and Industrial Research. The Board will include, in addition, the following: Dr. J.C. Ghose, Dr. Nazir Ahmad, Dr. Meghnad Saha, Dr. S.S. Bhatnagar, Sir H.P. Mody, Sir Syed Sultan Ahmad, Mr. Kasturbhai Lalbhai, Lala Shri Ram, Mr. P.F.G. Warren and Dr. N.N. Law.

Finances.- A sum of Rs. 500,000 has been provided in the Budget for 1940-41.

1st Meeting of Board.- The first meeting of the Board was held on 1-4-1940.

(The Hindustan Times, dated 20-3-1940 and Statesman, dated 2-4-1940). +

14

Central Industrial Research Bureau to be set up in Mysore:

Decision of Mysore Board of Industries and Commerce. ✓

A meeting of the Mysore Board of Industries and Commerce was held on 16-3-1940 at Bangalore under the chairmanship of the First Member of Council, Mysore.

Central Industrial Research Bureau.- The first subject considered was the establishment of a Central Industrial Research Bureau in Bangalore as recommended by a special committee constituted for the purpose, consisting of heads of technical departments, the University and representatives of industries and commerce. It was the opinion of the Board that the Central Industrial Research Bureau should be brought into being without delay for purposes of undertaking research work of immediate industrial importance, as also to co-ordinate the results of research work done by the several departments.

Statistical Service.- The Board next considered the question of the ~~sa~~formation of a Statistical Section in the Department of Industries and Commerce to collect, compile and publish statistical information of economic importance, and approved generally of the report of the Sub-Committee set up for the purpose.

(Hindu, dated 20-3-1940)..

Protection to Indian Silk Industry:

Extended for Two Years. ✓

A five-year extension of the protection of the Indian silk industry and an all-round increase in the import duty on raw silk, silk fabrics, cocoons, Chinese waste products silk, artificial silk, silk mixtures, etc, are recommended by the majority report of the Tariff Board on the sericultural industry signed in 1938 by Mr. Fazal Rahimtoola and Mr. N.J. Roughton and published on 26-3-1940.

Government Decision on Recommendation.- The Government of India, in introducing in the Assembly on 21-3-1940 a Bill to continue the existing protective duty on silk and silk manufactures for a further period of two years, explained that the examination of the Tariff Board's report was taken in hand last year "but owing to war conditions the prices of silk and silk manufactures have advanced sufficiently to satisfy the recommendations of the majority of the Tariff Board, and Government find it impossible in the present position of uncertainty to form any decision as to a long-term policy".

(The Statesman, dated 27-3-1940)..

Agriculture.

The Sind Money-lenders Bill, 1940. ✓

A non-official Bill (the Sind Money Lenders Bill, 1940) was introduced in the Sind Legislative Assembly on 29-1-1940 to regulate money-lending in the province. It provides for the registration and licencing of moneylenders, regulation of interest, obligation to keep correct accounts, and penalises molesting the debtor or besetting his house or work place for recovery of debts.

(The Sind Government Gazette, Part IV, dated 7-3-1940, pages 170 to 193).

The Sind Small Holders Relief Bill, 1940. ✓

Mr. R. K. Sidhwa (a non-official member) introduced in the Sind Legislative Assembly on 29-1-1940 a Bill to provide for temporary relief of small landholders in the Province. The Bill legislates for stay of proceedings in case of sale of holdings for recovery of debts, provided interest is paid, and restricts private transfer of small holdings. Eviction of tenants is also prohibited.

(The Sind Government Gazette, Part IV, dated 7-3-1940, pages 201 to 204).

Bengal Agricultural Debtors (Amendment) Bill, 1938. ✓

A non-official Bill was introduced in the Bengal Legislative Council on 15-3-1940 to amend the Bengal Agricultural Debtors Act, 1935.

The Bill seeks to make the provisions of the Act of 1935 more effective and to that end provision is made (1) for compelling all creditors to file statements of agricultural debts within 3 months of establishment of the local Debt Settlement Board, (2) for settlement of debts by adjudication when parties disagree or either of them do not appear in spite of notice, and (3) the maximum rate of interest to be allowed is proposed to be fixed at 6 1/2 per cent. on the original principal and the maximum amount that could be settled as the aggregate debt is proposed to be fixed at 66 per cent. of the market value of the immovable properties of the debtor, ~~and~~ and

(3) for Boards directing, in cases where clearance of debts by money is difficult or likely to be defaulted, the transfer by orders of the Board of not more than one-third the lands of the debtors to the creditors in usufructuary mortgage for fixed periods for clearance of all debts -- the entire land reverting to the debtor free from all debts after 20 years or a lesser period.

(The Calcutta Gazette, Part IV-B,
dated 28-3-1940, pages 15 to 18).
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Navigation.Home for Indian Seamen: Scheme to Extend Marine Club, Calcutta, ✓.

According to a special service message issued by the Associated Press agency in Calcutta, various proposals are now being considered for the enlargement of the Marine Club, Calcutta, so as to provide for accommodation for a much larger number of seamen than at present. The Club at present caters only for European Officers and ex-seamen, but it is expected that plans will shortly be prepared for a similar institution on a considerably larger scale, for Indian seamen. This latter project is, it is understood, now being considered by the Governments of India and Bengal and the Calcutta Port Commissioners.

The Marine Club at present provides comfortable quarters for the seamen where the men can stay at a daily cost ranging between Rs. 2 to Rs. 5, which, in the majority of cases, is borne by the companies employing the men. On the completion of the extensions which are at present being undertaken, the Marine Club will normally be able to accommodate 130 men; but when there is an unusually large demand, a larger number can be quartered.

(The Hindu, dated 11-3-1940). +

Co-operation.

Development of Cottage Industries in Mysore:

Government's 3-Year Plan. ✓

The Government of Mysore has drawn up a three-year plan for developing cottage industries involving an expenditure of nearly Rs.131,830. The scheme aims at fostering in 43 centres industries like tanning, leather-stitching, lacquerware, tile-making, pottery, coir-making, mat-weaving and paper-manufacture.

The Government has already done much to develop spinning and weaving as a cottage industry. 8,000 spinners, 450 weavers and 100 other artisans work at the khadi centres under Government management. Yarn worth about Rs.70,000 was produced during 1938-39 and 183,000 square yards of cloth was manufactured and the total sales effected amounted to Rs.120,000. There are 50,000 handloom weavers in the State, each having on an average one loom and their total production is estimated at Rs. 10 million annually.

Other State measures already taken to encourage cottage industries include the establishment of a training centre where educated young men are taught spinning, paper-making, oil-pressing and mat-weaving, and ~~provision~~ ^{are provided} facilities for learning improved methods of wool-carding, spinning, weaving and dyeing of woollen fabrics.

(The Times of India, 8-3-1940) +

The C.P and Berar Co-operative Societies

(Amendment) Act, 1940. ✓ +

According to a press communique dated 26-3-1940 issued by the Government of the Central Provinces, the position of co-operative societies in Berar had been deteriorating during the last few years and in September 1939 the Government had outlined a scheme for liquidating societies which were in a very bad way and for conciliation in the case of societies in temporary difficulties. The war has affected the position in that the price level of cotton, the chief money crop in Berar, has risen sharply. With this increase in the price of Berar's staple crop there was evidence of an increasing demand for land with consequent rise in land values. In these circumstances, it is considered that this is not an opportune time

for determining the paying capacity of members of societies, or the extent of conciliation that might be ultimately necessary. It was also urged that the improvement in the general economic condition of the whole ~~xx~~ tract would render it unnecessary to spread repayments over the long period contemplated in the original scheme. It is now pointed out that the first requirement of the situation as it has developed is that both the societies and the Central Banks should be given time to take advantage of the altered circumstances and that a final decision regarding the extent of conciliation of liabilities of co-operative institutions should be postponed until the future can be estimated with some certainty.

Government's Suggestions for Rehabilitation.- Disagreeing with a suggestion that the Government should grant a moratorium to Central Banks, the Communique suggests that a respite to the Banks should be given by the co-operative societies themselves with the full support of their creditors. In the next place, co-operative banks and societies should draw up schemes for rehabilitating the movement. Whatever scheme of rehabilitation is accepted should not place the creditors in a more disadvantageous position than they would have had to face if the banks had been liquidated.

The C.P and Berar Co-operative Societies (Amendment) Act, 1940.- With the above aims in view, the Government has amended the Co-operative Societies Act to regulate the procedure for compromise or arrangement for repayment of liabilities of registered societies.

(The C.P. and Berar Gazette Extra-Ordinary, dated 26-3-1940, pages 95 to 101).+

Encouragement to Co-operative Movement in U.P.
Government's Scheme to start Limited Liability Societies. ✓

A new turn to the co-operative movement on the basis of a scheme untried in any other part of India, has been decided upon by the U.P. Government. Co-operative societies are at present organised on the basis of unlimited liabilities and nearly 17,000 societies of that type are operating in the province. The Government has now decided to experiment with co-operative societies with limited liability. It is proposed to begin the experiment with 4,000 better-living societies organised by the Rural Development Department. These societies are to be converted into multi-purpose societies, having limited liability.

It is said that persons having credit do not join the co-operative movement as they do not wish to incur the risk involved in unlimited liability. Multi-purpose societies will enable persons with credit to join the movement and use their experience for the development of rural credit and marketing organisation. The limited liability of a member will be fixed according to the nature of the activities in which

he takes part.

The existing co-operative societies will retain their basis of unlimited liability, but an attempt is to be made even in the sphere of purely co-operative societies to experiment with the idea of limited liability.

(The Statesman, dated 30-3-1940). *

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Living Conditions.

Housing.

Housing Madura Mills Employees:
A Co-operative Housing Scheme. ✓ +

The Madura Mills Company, Madura, which employs about 12,000 workers, has recently promised its support to a scheme to house its workers who are now living in slum areas around the Mills and paying exorbitant rents to private owners. The company has granted a loan of Rs. 200,000 free of interest to the Madura Mills Co-operative Housing Society Ltd., entrusted with the execution of the housing scheme, details of which are given below.

Formation of Building Society.- A good site has been found at Tirupparankundram, a village near By with facilities of railway communication. The Madura Mills Co-operative Housing Society, Ltd., formed and registered with a capital of Rs. 45,000 and borrowing powers up to 5 times its paid up capital, is entrusted with the carrying out of the scheme. The sum of Rs. 200,000 promised by the company would be supplied partly by way of capital, viz., Rs. 40,000 repayable without interest after a term of years and the balance Rs. 160,000 by way of loan, also repayable without interest.

The following constitute the Board of Directors of the Society:- one representative nominated by the Madura Mills Co. Ltd., one representative of the Madura Labour Union, one representative of the labourers, the District Collector or his nominee and the District Board President or Vice-President.

Details of Model Houses.- Model houses consisting of 3 or 4 rooms have been built at a cost of about Rs. 600 each, which were offered to members of the Society (who must be employees of the Madura Mills Co., Ltd.,) on the execution of a deed with the Society, agreeing to pay monthly instalments as fixed by the Board of Directors. A payment of about Rs. 4 per month, at the end of 10 to 12 years, entitles each tenant to become the owner of the house. A start has been made with about 400 houses and married workers over 21 years of age with children and having 5 years' service receive preference in the allocation of houses.

Transport and Sanitary Facilities.- Through the cooperation of the South Indian Railway arrangements have been made to run special trains from Harveypatti to transport the workers to Madura at special rates.

The Managers have agreed to contribute a sum of Rs. 12,000 to provide for an adequate water supply to the housing scheme.

Similar Scheme for Ambasamudram Mills.- A similar scheme run on co-operative lines is in progress at the Company's mills at Ambasamudram. For this scheme the Company is advancing up to Rs. 150,000 free of interest.

(The Times of India, 29-3-1940)..

General.

Drink Evil among Cawnpore Workers:

Liquor Shops to close early on Pay Days. ✓

It is reported that steps are being taken by the Government of the United Provinces to persuade the millowners in Cawnpore to have a uniform and limited set of pay days for all mills in connection with the scheme which is contemplated to be enforced for the opening and closing of the country-liquor shops in Cawnpore. It is proposed that when the millowners adopt a uniform and limited set of pay days, that the closing hour of all country-spirit shops in the city will be 5 p.m. on such days. All the country-spirit ^{shops} in Cawnpore ~~shops~~ are to be closed on Sundays from 1-4-1940 and the sale hours for the liquor shops will be from 12 noon to 7 p.m. throughout the year instead of 12 to 7 p.m. in winter and 12 to 8 p.m. in summer, as at present. The above decisions of the Government are in respect of the Cawnpore shops only and they are taken in order to save, as far as possible, the labouring classes from the drink evil.

(The Leader, dated 19-3-1940).+

Employers' Organisations.

13th Annual Meeting of the Federation of Indian Chambers of
Commerce and Industry, Delhi, 30 and 31-3-1940. +

The 13th session of the Federation of Indian Chambers of Commerce and Industry was held at Delhi on 30 and 31-3-1940 under the presidency of Dewan Bahadur C.S. Ratnasabapathi Mudaliar, the President of the Federation. The salient features of the presidential address are noticed below:-

Board of Scientific and Industrial Research.- Dealing with the more recent State action in respect of industries, Mr. Mudaliar expressed satisfaction at the Government of India inviting representatives of industry and commerce to participate in the Industries Conference held last year and at the setting up of the Board of Scientific and Industrial Research. He expressed the hope that the Board will promote co-ordination between industrial progress and scientific research and pointed out that the scope of work of the Board should be widened so that it would serve as an organisation for the purpose of reporting on the progress made by the established industries and laying down in general long-term plans for rapid and ordered industrialisation. In spite of these hopeful features, Mr. Mudaliar expressed dissatisfaction with the attitude of the Government of India towards Indian industries and commerce and stressed the adverse effects of the Excess Profits Tax legislation, increases in railway rates and fares and in the sugar excise duty and petrol duty.

Excess Profits Tax.- Mr. Mudaliar stated that the imposition of an Excess Profits Tax was premature, and was not suited to the peculiar economic conditions in this country as contrasted with the conditions prevailing before and after the outbreak of the war in Europe. He also expressed disappointment at the Government's refusal to give an opportunity to the industrial community in the country to submit its views on the tax. At a time when the Government of India, in common with the British Government, expects to concentrate the efforts and energies of the people of this country on the prosecution of the war, he remarked that by extending a helping hand and organizing a vigorous drive for the rapid industrialization of the country, the Government would not only be contributing to the permanent prosperity of the country, but they would also succeed in increasing their financial and economic strength.

Labour Unrest.- The success of Indian industrialists in seizing the present opportunity to effect rapid progress in industrialisation, depends largely on harmonious industrial relations during the war period. He warned the workers that their extravagant demands at a time when several industries were in a precarious position, would, if persisted in, spell disaster. In this connection,

Mr. Mudaliar emphasised the need for co-ordinating labour legislation and making it applicable to all India to arrest the increasing tendency of the industries to shift from the British Indian Provinces to the Indian States. He pointed out that this tendency would, to a large extent, create a location of industries which would not be justified either in the light of the availability of raw materials or the nearness of the markets.

Census of Production.- Mr. Mudaliar referred to reports that the Government of India has under consideration a scheme to organize a census of production of all the large-scale organised industries in the country. Most of the progressive industrial countries have enacted laws for the taking of a compulsory periodical census of production. He welcomed this move of the Government, though belated, but urged the Government to extend the scope of the census by applying it also to the minor and small industries in this country.

Price Control.- The most obvious effect of the war on Indian economy is that it has created an appreciable increase in the demand for a number of India's primary products and has to some extent enhanced the prices at which they can be sold. The Indian cultivators who constitute nearly 75 per cent. of the total population have suffered a continuous period of unrelieved depression since 1929. It is but fair, therefore, that the cultivator should be allowed to take advantage of the rise in the prices of his products and to average up the losses sustained by him for more than ten years. Therefore, there is ~~no case for the control of prices of India's exportable agricultural commodities.~~ The rise in the prices is bound to result in an increase in the purchasing power of the masses. To the extent to which the masses utilize the additional spending power for the purchase of consumption goods, the primary increase in the income of the cultivators is bound to react favourably on the position of the indigenous industries which cater to their needs. In this connection, he stressed the need for educating the rural masses not to invest their surplus income in easily deteriorating assets. Towards this end he advocated the issue by the Reserve Bank of Savings Certificates carrying attractive interest.

Trade Prospects.- In dealing with the inevitable changes brought about by the war in the pattern of Indian foreign trade, Mr. Mudaliar stressed the need for maintaining in fact, as far as possible, India's trade with non-empire neutral countries. He also urged the Government of India to explore the possibility of getting new markets for India and to build up a powerful mercantile marine.

Resolutions.- Among others, resolutions were passed by the annual meeting, (1) protesting against the imposition of the Excess Profits Tax, (2) welcoming the decision of the Government to encourage the development of Indian industries through protection, (3) disapproving of price control measures, (4) urging the removal of the present restrictions on exports, (5) welcoming the establishment of the Board of Scientific and Industrial Research ~~and~~ and urging the Government to widen ~~its~~ its scope, (6) urging the Government to develop an Indian mercantile marine and deploring the Government's

past neglect in the matter, and (7) viewing with anxiety the rapid deterioration in the status and rights of Indians abroad and urging the Government to take adequate measures to safeguard their interests.

Office-bearers for 1940-41.- The following were elected office-bearers of the Federation for the year 1940-41:- President - Mr. Amritlal Ojha, Calcutta; Vice-President - Mr. Chunilal B. Mehta, Bombay; Honorary Treasurer - Mr. N.R. Sarker, Calcutta; Members of the Committees - Lala Padampat Singhania, Cawnpore (Sugar Mills), Mr. J.C. Stalvad, Bombay, (Insurance), Mr. Gaganvihari L. Mehta, Calcutta, (Transport), Mr. Devi Prasad Khaitan, Calcutta (Paper and Starch Industries), Kumara Rajah M.A. Muthia Chettiar, Madras (Import and Export Trade), and Mr. Karamchand Thapar, Calcutta (Mining). Co-opted Members - Dewan Bahadur C.S. Ratnasabapathi Mudaliar, Coimbatore, Sir Purushotandas Thakurdas, Kt., C.I.E., M.B.E., Bombay, Sir A.H. Ghuznavi, M.L.A. Calcutta, Mr. Brijmohan Birla, Calcutta, and Mr. Ramratan Gupta, Cawnpore.

(Summarised from a copy of the printed text of the Presidential Address and Resolutions forwarded to this Office by the Federation of Indian Chambers of Commerce and Industry.)

(A copy each of the Presidential address and Resolutions, as also the Annual Report of the Federation for 1939-40, was forwarded to Geneva with this Office's minute F.6/295/40 dated 4-4-1940.)

All India Organisation of Industrial Employers:

7th Annual Meeting, Delhi, 1940. ✓

The seventh annual meeting of the All-India Organisation of Industrial Employers was held at Delhi on 31-3-1940 under the presidentship of Lala Padampat Singhania. A brief summary of the presidential address is given below:

Industrial Situation in India.- After referring to the political developments in India and outside during the last twelve months, Mr. Singhania reviewed the more important industrial and economic problems facing India. Broadly, the year under review falls into two different periods; the first eight months of the year were a period of depression so far as most of the Indian industries were concerned, and the last four months a period when things began to look up for the majority of Indian industries. Since the war broke out, the jute industry had a more hopeful prospect as compared to other industries. After the outbreak of the war, the increased demand for jute products was reinforced by the huge orders for sandbags and other jute products on behalf of the Allied Governments. The jute industry had started working in its full

capacity, but, due to the lack of sufficient orders, they have again reduced working periods. The iron and steel industry has also profited by the war.

Textile Industry.- The cotton textile industry continued to be in a depressed state almost until the outbreak of hostilities in Europe. Among the causes for the depression in the industry are that it suffered from relative over-production on the one hand and increase in the cost of production on the other. The industry also met with unsympathetic treatment at the hands of the Government, which certified the Indo-British Trade terms in spite of the opposition of the Legislature. With the outbreak of war in Europe, however, it was assumed that during the war-period the industry will register great progress and yield good profits. There is no doubt that business is looking up and that new export markets like those of Ceylon, Burma, Afghanistan, Federated Malay States, etc., have been opened. But prices of raw material, manufacturing cost and wages have increased on the one hand, while the finished goods have not shown any steady advance in prices. The result is that industrialists are apprehensive whether, in the long run, the textile industry will bring even that profit which was obtained after the depression period.

Cement, Sugar and Other Industries.- The cement and sugar industries had, on the whole, a not too prosperous period, mainly due to internal troubles. Imports of Java sugar have increased enormously during the period under review. It is imperative that, in view of the present situation in the industry, the sugar industry should be reorganised on a firm basis before the period of protection to the industry is over. To add to its troubles, the Government has imposed an extra excise duty on sugar and the future is indeed gloomy.

Other industries, such as paper, glass, rubber and coal, bear out the expectation that the war would prove a period of prosperity to Indian industries generally. They were almost losing concerns before hostilities began in Europe, but, with the general increase in prices and rise in the standard of living due to the war, they are likely to have their due share of prosperity. It is gratifying to note that during the period under review, new factories have been opened for the manufacture of bicycles, chemicals, and the like, within the country.

Future Possibilities.- If this war is going to be of long duration, there is every possibility of a good demand for war materials and for commodities to meet the increased requirements of this country. Under such circumstances, industries are bound to develop. This naturally entails increased demand for skilled and semi-skilled labour in large numbers without which further progress is difficult. Industrialists should therefore be cautious in investing in new industries or factories.

Government and Indian Industries.- The extent to which industrialists can turn the present opportunity for the permanent benefit and enrichment of the people of the country depends largely upon the way in which all parties concerned co-operate to that end. So far as the Government is concerned, it is not playing the role which industrialists expect of it. The Government of India has under active

consideration the institution of a unified price control all over the country. Further it is not clear whether, in the large-scale war purchases by the Government of India on behalf of the Allied Governments, the Indian cultivator and the Indian industries concerned are receiving the same consideration and treatment as their brother-cultivators and industrialists in other British Dominions. Over and above the institution of price control, which is bound to severely affect the profits of the industries, the Government of India has introduced the Excess Profits Tax Bill. If future State action in respect of industries during war time is likely to be of similar nature, the outlook for industries is not promising.

Industrial Relations.- While prospects are thus gloomy, they are rendered more so by lack of harmonious industrial relations. Workers must realise the difficulties industrialists have to face and co-operate with them. Labour demands should be moderated to suit the capacity of industry to pay and better employer-employee relations should prevail. Due to the changed conditions at present time, demands have been made for war-allowance resulting in strikes, as in the textile industry at Bombay. But if industry means the combined efforts of employers and employees motivated by a sense of mutual interest and prosperity, strikes are nothing but calamitous. The rise in prices of commodities on which the claim for war allowance is based, is only a temporary phase and already prices have begun to fall. Hence, price control measures, as also demands for dear food allowances, are unjustified and definitely harmful. India has a very bad record of industrial disputes. Unless strikes show a decrease in incidence, constructive nation-building are bound to suffer.

Office-bearers for 1940-41.- Lala Shri Ram was elected President and Mr. Karamchand Thapar, Vice-President for 1940-41 of the All-India Organisation of Industrial Employers.

(Summarised from the Presidential Address, copies of which were supplied to this Office by the Federation of Indian Chambers of Commerce and Industry, and the Hindustan Times, dated 1-4-1940).

(A copy of the presidential address was forwarded to Geneva with this Office's minute F.6/295/40 dated 4-4-1940.) +

All-India Organisation of Industrial Employers:

Report of Committee for 1939-40.* ✓ +

Membership.- The total number of members on the roll of the All-India Organisation of Industrial Employers at the end of the year 1939-40 was 13 Associations representing different industries and 91

* All-India Organisation of Industrial Employers. Report of the Proceedings of the Committee for the year 1939-40. 1940. 28, Ferozshah Road, New Delhi.

industrial concerns, making a total of 104 members in all.

Labour Situation in India.- The Employers' Association of Northern India suggested to the Committee of the Organisation that the question relating to the labour situation in India should receive very careful consideration at the hands of Indian employers and that a joint-conference of the members of the two all-India organisations of employers should be invited to discuss this question and to devise suitable means to meet it. The Committee in July 1939 authorised its President to discuss this question with the President of the Employers' Federation of India. As the labour situation improved during the latter part of the year, it was not felt necessary to pursue the matter any further.

25th I.L.Conference.- The Committee of the Organisation recommended to the Government the names of Sir Ardeshir R. Dalal and Mr. D.G. Mulherkar, as Delegate and Adviser, respectively, to represent Indian employers at the 25th session of the International Labour Conference. In compliance with certain requests, the Committee of the Organisation agreed to withdraw Mr. Mulherkar's name and recommended to the Government the name of Mr. Basu in his place. Sir Ardeshir R. Dalal, who was recommended to represent the Indian employers, was unable to proceed to Europe. The Committee, recommended the name of Mr. M.L. Dahanukar as the Delegate. The Government of India accepted these recommendations. The Delegation submitted its Report to the Committee of the Organisation on the work done at the Conference. It reiterated the demand formerly made by its predecessors, that the Employers' Delegation should consist of more than ~~two persons~~ to do justice to the responsible work entrusted to it at the Conference.

India's Supply of Skilled Labour.- The Government of India, some time in October, 1939, constituted local Committees in Bombay, Calcutta, Madras, Cawnpore and Lahore for the purpose of obtaining reliable information with regard to the supply of skilled labour available in the various industrial establishments in the country. In constituting these local committees, the Organisation was not consulted. At a later stage, the Organisation was approached with the request that it should recommend to all its members to co-operate with the local committees in securing the necessary information required by the Government. Since the Committee did not approve of the procedure followed in setting up the local committees at the five industrial centres, it decided not to co-operate in the scheme.

11th Industries Conference.- In December, 1939, the Government of India invited the Organisation to nominate one representative to attend the 11th Industries Conference held in Mysore on 15-12-1939. The Organisation nominated Mr. Venkataswamy Naidu of Coimbatore to attend the Conference.

(A copy of the Report of the Committee of the All-India Organisation of Industrial Employers for 1939-40 was forwarded to Geneva with this Office's minute F.6/295/40 dated 4-4-1940).

Indian National Committee of the International Chamber
of Commerce: 11th Meeting, Delhi, 1940.

The 11th annual meeting of the Indian National Committee of the

the International Chamber of Commerce was held at Delhi on 31-3-1940 under the presidentship of Dewan Bahadur C.S. Ratnasabapathi Mudaliar. The following are the salient features of the presidential address:-

World Economic Conditions.- The recession in the general business conditions which set in towards the end of 1937, was halted in the early months of 1938, ~~was~~ and normal economic activity was restored in most of the important countries in the world. In the United Kingdom, economic conditions reached more or less a boom condition as a result mainly of the enormous expenditure for defence purposes. In the United States, on the whole, the business activity during the early part of 1939 was better than in the corresponding period of the previous year. After the outbreak of war American commodity-prices reached high levels and indices of export trade and industrial production shows that America is likely to reap enormous benefits as a neutral out of the present European war.

Conditions in India.- Unlike Great Britain and the United States of America, the economic conditions in India did not show any visible improvement during the early part of the year under review, and continued to be in a depressed state until the actual outbreak of the war. During the early months of the year, some slight improvement was visible in the foreign trade position and in the prices of certain commodities such as jute and sugar. But this was nullified by the depression in the prices of wheat and cotton, and the difficulties of the cotton textile industry which experienced one of its worst slumps owing, among other reasons, to over-production and the increased cost of labour. The declaration of war, however, radically altered the situation and led to a sharp rise in the commodity-prices and an improvement in the prospects of the Indian agriculturists and industry generally. The index number of wholesale prices rose from 100 in August 1939 to 130 in January 1940. Between August and January, 1940, the prices of important staple commodities such as raw cotton, raw jute, and cotton and jute manufactures showed a remarkable improvement. The speculative forces were at work on the Bombay and the Calcutta Stock Exchanges and pushed the prices of these staple commodities to very high levels for a short period but the levels reached could not be maintained in the long run. On the whole, however, the prices were tending to settle down at a higher level at the end of the year, compared to those obtained in the previous year. The war also gave a great fillip to the Indian industries where the depression prevailing at the beginning of the year in such major industries as jute was virtually transformed into prosperity. The economic outlook for the Indian export trade and the Indian industries generally, therefore, may be said to be bright during the duration of the war.

Economic Policy.- There have been two important differences in the economic policies followed in 1930 and 1938, which help to explain why recession which developed into a major depression in 1930 was halted during 1938. In the first place, a policy of monetary expansion and of increased expenditure on public-works was promptly adopted in the United States during 1938. The second decisive factor which arrested the recession of 1938 was State expenditure on armaments. The expenditure on armaments had reached a very high level in countries like Germany and Japan as far back as 1937, and had helped to stabilise economic activity,

employment and industrial production. Substantial increases in expenditure on armaments took place in countries like United Kingdom and France during 1938 and the prospect of still greater increases during 1939 constituted an important factor in the maintenance of economic activity. It is time that India learnt the lessons of the monetary experiments in the foreign countries and applied them for the purpose of stabilising economic activity and increasing employment within this country.

The public authorities in this country, such as the Government and the Railways, make a very large annual expenditure of capital-investment character out of the Railway and the Defence Budget. The total combined expenditure out of these Budgets on capital equipment should be examined to see whether it is not possible to make it a regular annual expenditure so that it would simultaneously achieve the purpose of giving a direct stimulus to the establishment of industries which would cater for defence and railway requirements, and, at the same time, create a scientifically conceived plan of public investment with a view to mitigate the evils of depression.

India and Economic Depression.- The attitude of important Western countries such as the United States of America, the United Kingdom, Sweden and others as revealed in their energetic devices to combat and mitigate the cyclical depression and to actively stimulate recovery, makes a tragic contrast to the attitude displayed by the Government of India. Ever since the onset of the depression of 1929, the condition of the cultivators in this country has continued to be one of unrelieved gloom and depression. While a large number of countries recovered from the depression and reached a virtual boom-condition in 1937, thanks mainly to the sympathetic and enlightened policy of their Governments, the Indian cultivators have continued to receive unremunerative and uneconomic prices for their products during the period.

The outbreak of hostilities in Europe, however, had changed the entire economic situation in this country and held out a promise that, if properly utilised, the unique situation created by war could be turned for the permanent benefit and enrichment of this country. It is unfortunate, however, that instead of helping the country to consolidate her position and to accelerate her industrialisation, the Government of India has introduced a large number of measures like price control, imposition of excess profits tax, etc., which are likely to stultify these expectations.

War, An Opportunity for Industrial Consolidation.- The war period is probably the best time for India to consolidate her position as a great exporting country. In order to achieve this aim, industrialists and the Government should co-operate to find the permanent solutions to several questions affecting adversely the more important industries of the country. For example, there is the question of apparent over-production in industries like cement, sugar, iron and steel, cotton textiles, etc. There is great scope for developing an internal market for the products of these industries, in addition to developing markets in neighbouring countries which have hitherto been served mostly by the Western industrial countries.

Office-bearers for 1940-41.- Mr. Amritlal Ojha was elected President of the Indian National Committee, International Chamber of Commerce, for 1940-41.

(Summarised from the presidential address, copies of which were forwarded to this Office by the Secretary, Indian National Committee, International Chamber of Commerce.)

(A copy of the presidential address was forwarded to Geneva with this Office's minute F.6/295/40 dated 4-4-1940.)†

Workers' Organisation.

6th Session of Bengal Labour Conference,
Kankinara, 24 and 25-2-1940. ✓+

The sixth session of the Bengal Labour Conference was held at Kankinara on 24 and 25-2-1940. 125 Unions were represented at the Conference by delegates; of these 95 belonged to the Bengal National Chamber of Labour and Bengal National Jute Workers' Union. 52 Unions represented the jute workers of Bengal and the rest belonged to different trade groups. The Conference was formally opened by the Hon'ble Mr. H.S. Suhrawardy, Minister of Labour, Commerce and Finance, Government of Bengal. The Hon'ble Mr. Satyendra Chandera Mitra, M.L.C., presided.

Resolutions.- A brief summary of the more important resolutions adopted by the Conference is given below:

(1) Disapproval of Communist Propaganda.- The Conference disapproved of the growing efforts to propagate communist ideals among the workers and resolved that trade unions should make efforts to counteract such propaganda.

(2) Conditions of Work.- The Conference urged the need for Government to take early action to improve the conditions of work of labourers, especially in respect of wages, hours of work, unemployment and sickness insurance, pensions and gratuity, leave, holidays with pay, education, housing, recreation, provident fund, co-operative credit, etc.

(3) Recognition of Unions.- Another resolution urged that employers should recognise constitutional and bonafide trade unions and negotiate with such unions for settlement of trade disputes. It was also urged that in every industry or factory, joint committees of employers and employees and representatives of trade unions should be established and that every step should be taken by the Government to formulate standard service conditions which should not be changed without reference either to recognised trade unions or to Government.

(4) Appointment of Labour Officers.- Another resolution pointed out that the policy of appointment of Labour Officers by industrial concerns cannot achieve success unless the Officers adopted an attitude of sympathy for workers and their unions.

(5) Employers' Antipathy to Unions.- A resolution was adopted condemning victimisation of active unionists by employers and unwillingness of employers to recognise unions which have outsiders in their executive.

(6) Establishment of Labour Research Institute: The Conference urged the setting up of a Labour Research Institute in which workers are adequately represented to conduct researches into social and industrial questions affecting labour

~~from a labour stand point~~, to publish books, pamphlets and periodicals on these subjects and to provide information on enquiries. The institute will also enquire into the organisation of industrial capital and its effects on prices, profits and the position of labour.

Other Resolutions.- Resolutions were also passed urging (1) the abolition of the contract labour system, (2) adoption of legislation on the model of the Bombay Industrial Disputes Act, 1938, (3) adoption of the private Bills on labour subjects now before the Bengal Legislature, (4) extension of the scope of the Payment of Wages, Factories and Workmen's Compensation Acts to include classes of workers now outside their purview, (5) grant of a war bonus, (6) reorganisation of the system of recruitment to factories so as to eradicate bribery and corruption, (7) payment of an adequate living wage in cases where hours of work are reduced, (8) institution of an enquiry by the Government into the extent of unemployment among workers and adoption of a system of unemployment insurance, (9) establishment of co-operative credit societies for the workers' benefit, (10) provision of adequate housing and free medical facilities for workers, and (11) representation of labour in municipalities and other public bodies.

(Summarised from text of Resolutions forwarded to this Office by the Secretary, Reception Committee, 6th Bengal Labour Conference). +

Progress of Trade Unionism in Bombay, 1938-39.* ✓ +

Number of Registered Unions and Membership.- There were 51 unions, including one Federation, on the register on 31-3-1938. 13 new unions were registered during the year under report. Of the total 64 unions, however, the registrations of three unions were cancelled, while the control of eight unions was transferred to the Central Government on 1-4-1938 in pursuance of the adaptation made in section 2 of the Indian Trade Unions Act, 1926, by the Government of India (Adaptation of Indian Laws) Order, 1937. The number of unions on the register on 1-4-1939 was thus 53. Full information ^{was available} regarding the membership, income and expenditure and opening and closing balances in respect of 40 individual unions which submitted returns.

* Annual Report on the Working of the Indian Trade Unions Act (Act XVI of 1926) for the Province of Bombay 1938-39. -- Bombay. Printed at the Government Central Press. Obtainable from the Superintendent, Government Printing and Stationery, Bombay, or through the High Commissioner for India, India House, Aldwych, London, W.C.2, or through any recognised Bookseller. Price - Anna 1 or ld.

The total membership of the reporting unions increased from 48,972 to 50,997 or by 4.14 per cent. It is of interest to note that the "Tramways" Group, with the addition of the Tramway Traffic Union, recorded a rise of nearly 394 per cent. in the membership of the group. The other groups which contributed to the general increase in the membership were "Municipal" - 63.93 per cent. - and "Printing Presses" and "Seamen", ^{about} and 17 per cent. each.

The steady improvement which was noticeable in the female membership of ~~the~~ individual unions for the last four years was not maintained and there was actually a fall of nearly 43 per cent., the membership dropping from 2,643 to 1,502. This was, however, mainly due to the cancellation of the registration of the Girni Kamgar Union, Bombay, which had a female membership of 327, and the exclusion of the Gokak Mills Employees' Union, with a membership of 1,096 women members.

Finances of Unions.- The principal liability of the majority of the unions was the general fund. It formed the only liability of 20 unions, while two unions had liabilities other than the general fund. ~~The total amount at the credit of the general fund account of all the unions was Rs.122,560-13-9 and other liabilities amounted to Rs.35,013-8-6, as against total assets amounting to Rs.157,674-6-3. The figure for total assets includes an amount of Rs.49,001-3-8 for unpaid subscriptions due, the real value of which is doubtful.~~

Number and Membership of Unregistered Unions.- According to the quarterly reviews published in the Labour Gazette, at the beginning of the year the number of the trade unions registered and unregistered in the Province of Bombay was 126 with a membership of 108,587. Fifty-one of the unions were registered under the Act. Of the remaining unions, 31 were associations of employees of the Postal and Telegraph Department consisting mainly of clerical employees. +

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5th All India Kisan Conference, Palasa, 1940. ✓

The 5th session of the All India Kisan (Peasants) Conference was held at Palasa, Vizagapatam, on 26 and 27-3-1940 under the presidentship of Mr. Sohan Singh in the absence of Rev. Rahula Sankratyayana due to arrest under the Defence of India Act. The following is a summary of Rev. Sankratyayana's presidential address read at the Conference:

Consolidation of Kisan Movement.- The Kisan movement is still organisationally weak and attempts should be made to consolidate the movement. The lower Committees of the Sabha do not function smoothly and the whole movement is often centred round a few individuals. The questions of building up active Kisan cadres and of increasing the number of trained workers should engage early attention. The political education of Kisans has to be taken in hand.

Agrarian Problems.- The president next dealt with the more important agrarian problems like land ownership, pressure of population on land, overtaxation, burden of land-lordism, rural indebtedness, marketing, landless labour, backward technique of production and peasant revolts. The Government has made efforts to increase agricultural production with a view to raise the standard of the masses and thereby make it possible to increase British imports into India; but nothing ~~has been done to make equitable changes in land ownership and tenancy law, land revenue, irrigation assessment, etc.~~ Unless radical changes are effected in these matters, no permanent improvement in the method and technique of production can be secured.

The Indian national movement is manned mainly by the upper and middle classes with an industrial bias who are fighting the British Government because their enterprise and ambition are checked by British imperialism. In this fight, these classes are seeking the help of the agrarian masses, but the former's immediate interests are closely bound up with the existing economic organisation. Thus, the agrarian programme of the nationalist party confines itself mainly to technical improvements in the method of production, spread of education among the peasantry, more facilities for co-operative credit, rural development and the encouragement of cottage industries, particularly hand-spinning and weaving. The removal of some of the oppressive and antiquated forms of feudal exploitation are also advocated and the need for giving the peasants greater rights in land is emphasised. Such measures as the abolition of the zamindari system or complete wiping out of rural debts are opposed. Kisans cannot be satisfied with this policy.

Kisan Programme of Agrarian Reform.- The socialist reorganisation of agriculture will alone solve agrarian problem of this country. Unless the whole land system is thoroughly overhauled and reconstructed on the principles of socialism no permanent relief can be given to the peasantry. In a socialised agricultural economy, technical improvements will be secured rapidly and with lasting benefits for the cultivating classes.

Peasants and National Politics.- Workers and peasants must play a decisive role in the Indian National Movement. The struggle for independence centres primarily round the agrarian problem. For a free India any further development of the productive forces is absolutely impossible without a radical alteration of the agrarian conditions. The abolition of landlordism, the elimination of all pre-capitalistic forms of exploitations, the ending of the autocratic rule of the Princes and the substitution for the Imperialist-Feudal state by a democratic republic based on adult suffrage shall have to be carried out by the united forces of the peasantry and the working class.

In India the peasantry has been the chief force behind all political struggles of the past but it has not yet played a decisive role. This has been due entirely to the absence of a strong, independent, class-conscious movement of the peasants in the country. Large masses of the impoverished town and rural populations were drawn into the Non-cooperation Movement, and then again into the movement of 1931-32, but, because they lacked effective organisation and a class leadership they failed to take control of the movement and gain their objectives.

Kisans and Congress.- The experiences born of the capitulatory policy of the Congress has naturally awakened the workers and peasants to the urgency of building up their class organisations. The trade union movement to-day is a highly important factor in the national movement. Kisan organisations have also developed rapidly in all parts of the country during the last five or six years and a class-conscious peasant leadership is also coming on the political stage. But, while developing their class organisations, the peasantry and the working class have not neglected to penetrate the Congress. For, the Congress has to be developed into a real united anti-Imperialist front of the Indian people.

Resolutions.- A summary of the more important resolutions adopted by the Conference is given below:-

Fundamental Demands of Kisans.- With a view to preparing themselves for a national struggle, the Conference urged the Kisans to popularise the following basic programme: (1) the establishment of a Democratic Republic in India through a constituent assembly; (2) the formation of a people's army; (3) abolition without compensation of landlordism with all its offshoots of serfdom, illegal levies and forced labour; (4) cancellation of kisans' debts; (5) abolition of rent and land revenue on uneconomic holdings; and (6) cancellation of foreign debts.

Dear Food Allowance.- A resolution was also passed ~~and~~ urging employers to grant dear-food allowances to workers.

Office-bearers for 1940-41.- The following were elected office-bearers of the All-India Kisan Sabha for 1940-41: President: Baba Sohan Singh; Vice-Presidents: Messrs. N.G. Ranga and Bankim Mukerji; General Secretary: Swami Sahajananda Saraswati; Joint Secretaries: Mr. Indulal Yagnik, Dr. Bhag Singh, Mr. Abdulla Rasul and Mr. Sivalinga Prasad; Members: Messrs. Jadunadhan Sarma, Karyananda Sarma, Jai Prakash Narain

(in jail) or Avadeswara Prasad, Kartar Singh, Narendra Dev, Mohanlal Goutam, S. Damodhar Swarup, Keraleeyan, Suresh Dev, P. Syamasundara Rao, P.D. Maratti, B. Panigrahi, Muzaffar Ahamad (in jail), Abil Hayat, Gopal Haldar, J. Bukhari and Dinkar Desai.

The Council elected Swami Sahajananda Saraswati, Messrs, M.G. Ranga, Mohanlal Goutam, Bankim Mukherji and Kartar Singh to form with five representatives elected by the All-India Trade Union Congress, a Joint Committee of the two organisations to take joint action on matters of common interest.

(The Amrita Bazar Patrika, 27-3-1940
and The Hindu, 28 and 29-3-1940).

Miscellaneous.

Check to Communist Activity in India:

Government of India Orders Detention of Leaders. ✓

According to a press note issued recently by the Government of India, ~~it~~ ^{the Government} has for a considerable time had cause to view with concern the activities of the Communist Party of India, as, although the Party has been declared to be an unlawful body, there is ample evidence to show that it continues to operate through a widespread 'underground' organisation. Since the outbreak of the war, the Party has become even more active. With a view to check such subversive activities, the Government of India has passed orders for the detention of the leaders of the Party under the Defence of India Rules.

(The Hindustan Times, 15-3-1940).

The Sind Funeral Feasts Prohibition Bill, 1940. ✓

A non-official Bill was introduced in the Sind Legislative Assembly on 29-1-1940 to prohibit the custom of giving funeral feasts which has no religious sanction. Such feasts generally involve the poorer working classes in heavy debts, but they cannot break the custom for fear of social ostracism. The Bill prohibits the giving of funeral feasts and provides certain penalties for persons compelling others to give such feasts, or ostracising others for not giving such feasts.

(The Sind Government Gazette,
Part IV, dated 7-3-1940,
pages 159 to 160.) +

The Sind Dowry Restraint Bill, 1940. ✓

A non-official Bill was introduced in the Sind Legislative Assembly on 29-1-1940 to restrain the custom of taking or offering dowry in connection with marriages. This measure is intended to protect the middle and working classes from getting into debts through the need to provide heavy dowries for daughters.

(The Sind Government Gazette,
Part IV, dated 7-3-1940, pages
162-163.) +

Public Health.

The Sind Consumption of Intoxicants Restriction Act, 1940. ✓+

Reference is made at page 47 of our January 1940 report to the Bill drafted by the Sind Government to restrict the consumption and sale of intoxicants. The Bill has since been passed, and the Act, having received the assent of the Governor, is published in the Sind Government Gazette, Part IV, dated 7-5-1940, pages 238 to 247.+

Social Policy in War Times.

Hours of Work.

Bombay.-

A draft notification of the Bombay Government proposes to exempt adult workers employed in rubber tyre factories from the operation of Section 37 (intervals for rest) of the Factories Act.

(Notification No. S.129 dated 26-3-1940: The Bombay Government Gazette, Part IV-A, dated 28-3-1940, page 409).

Bombay.-

A notification of the Bombay Government exempts adult workers employed on work on choppers, digesters, kneaders, strainers and washers, beaters, paper-making machines, pumping plant, reelers, cutters and power plant from the operation of Sections 35, 36 and 37 (weekly holiday, daily working hours and intervals for rest) of the Factories Act, subject to the provision that workers shall be engaged only on 8-hour shifts and that a day of rest should be given at least once in 14 days.

(Notification No. S.129 dated 26-3-1940, Bombay Government Gazette, Part IV-A, dated 28-3-1940, page 410).

Punjab.-

A notification of the Punjab Government exempts a distillery in Karnal from the provisions of sections 34 to 38 (hours of work, daily and weekly rest and spreadover) of the Factories Act for a period from 22-3-1940 to 3-4-1940.

(Notification No. 2313-1 and L-40/14459 (a) dated 22-3-1940: Government Gazette, Punjab, Part I, dated 29-3-1940, pages 728).

Wages.

Demand for Dear Food Allowance: Review
of Developments.

Demands for war bonus or dear-food allowance were continued to be made in March 1940; the more important developments in this sphere during the month are summarised below:

Bombay Textile Workers.- Reference was made at page 35 of our February 1940 report to the decision of the textile workers in Bombay to declare a strike from 4-3-1940 on the question of the grant of a dear-food allowance. The strike, declared on 4-3-1940, affected nearly 160,000

workers. The Bombay Government addressed a letter on 9-3-1940 to the Millowners' Association, in the course of which reference was made to "the desire on the part of the worker to share in the profits which, it is the general belief, will accrue to the industry in consequence of war conditions" and pointed out that "in the view of the Government it is a legitimate expectation of labour". The Association was asked "whether it is willing to give an undertaking to Government that the owners will be prepared to give a war bonus to their workers, if increased profits are made by the industry as a result of war conditions as soon as the extent of these profits has been determined". (The Times of India, 12-3-1940). In its reply, the Millowners' Association pointed out that as the Government's letter raised far-reaching principles affecting profit-sharing, it can be considered only on a country-wide basis, and that no one particular industry should be singled out for the purpose. The suggestion for grant of a war bonus, without admitting the principle of profit-sharing, it was pointed out, will be considered sympathetically by the industry if it were to make profits on the same scales as those made in the years 1918-1921. (Bombay Chronicle, 17-3-1940).

The strike is still progressing. There have been a few cases of assaults by strikers and several arrests of strike leaders have been made.

Nagpur Textile Workers:

G.P. Court of Inquiry decides against Dearness Allowance.

Reference was made in the Section: "Social Policy in War Time" of this Office's report for February 1940 to the appointment on 28-2-1940 of the Government of the Central Provinces of a Court of Inquiry, with Mr. M.W. Clarke, I.C.S. as presiding officer to report on the question whether any dearness allowance should be given to the workmen in the textile industry in Nagpur, having regard to the present cost of living and the existing conditions in the industry at Nagpur. The main contentions of the workers and the employers, and a summary of the principal findings of the report issued by the court on 21-3-1940 are given below:-

The Court commenced its sittings on 1-3-1940. The workers of the textile industry of Nagpur, consisting of two mills, the Empress Mills and the Model Mills, were represented by the Nagpur Textile Union. On 18-3-1940, the Union withdrew from the inquiry, mainly on the ground that the Court had accepted certain documents marked "Very Important Information - Confidential" submitted by the Mills, and that therefore the workers' case was prejudiced; the Court did not accept this contention.

The Workers' Case.- The Economic Adviser to the Government of India had in a radio broadcast on 12-1-1940 stated that the rise in prices since the declaration of war amounted to 33 per cent. Therefore a dearness food allowance of 35 per cent was needed. Further, in several other textile centres wage increases have already been granted. Wages were lower at Nagpur than in other centres; the city also enjoyed certain other advantages; the incidence of local taxation was lighter and it was situated close to the areas of consumption. Moreover, the Nagpur mills were making large profits owing to the war, as evidenced by the appreciation of their share-prices, and should share the increased profit with the workers.

The Employers' Case.- The employing mills took up the position that ~~instead of the 35 per cent. rise in prices since September 1939~~ estimated by the Economic Adviser to the Government of India, the Labour Office figure of 10 per cent increase should be accepted as the correct one. The cost of living was higher in 1920-1924 than in 1939-40 and since the basic wages of the workers had been consolidated in 1924 in consideration of the cost of living figures of that year, the workers had enjoyed the benefit of the reduction in the cost of living which had taken place between 1924 and the outbreak of the present war. There was a wage cut during this period owing to the economic crisis which swept over the world between 1929 and 1933, but 80 per cent. of this cut was restored in 1938. The Nagpur Mills, therefore, did in 1938 what Bombay and Ahmedabad millowners have done since the outbreak of war, and therefore there was no point in the argument that these centres have granted concessions to their workers since the outbreak of war. The low wages in Nagpur were largely the result of deliberate abstention from work on the part of the workers; further the Nagpur workers were less efficient. The Nagpur Mills do not have any economic advantage over Bombay and Ahmedabad mills by reason of their geographical situation; on the contrary, their geographical position was a disadvantage when transport charges were considered. The heavier taxation in Bombay was largely counterbalanced by the superior services rendered to the industry. The rise in the value of shares of Nagpur mills was not an indication of the prosperity of the mills, as it was due mostly to speculation. The Empress Mills also stated that they had done considerably more for their workers in the sphere of welfare than other mills, and ~~that the value of these schemes should be taken into consideration in~~ estimating the real wages of the workers.

Main Findings of the Court.

Cost of Living gone up by 10 per cent.- On the first issue, the extent of rise in the cost of living since the outbreak of war, the Court found that the cost of living since the war commenced was in the neighbourhood of 10 per cent, and that no alteration need be made in the commodities, on the basis of which the index is compiled.

Basis of Existing Wage Rates and Nature of Changes effected since 1924.- On this issue, the Court found: (a) That the present rate of wages is based on the cost of living as it stood on 1st October 1924;

(b) That the wages of the workers were then increased by over 50 per cent. in the case of fixed rate workers and 66 2/3 per cent in the case of piece-time workers;

(c) That the cost of living fell since 1st October 1924 to the extent of not less than 42 per cent;

(d) That wages were cut to some extent during this period; and

(e) That the Mills restored 75 per cent of this cut in 1938.

Charge of lower Labour Efficiency not proved.- On this issue the Court found that the comparative efficiency of the workers at Nagpur, Bombay and Ahmedabad, was one of those questions on which there was no adequate material from which a valid comparison could be made. The Mills pleaded lower efficiency at Nagpur, but the employers' contention of lower efficiency at Nagpur is not sustainable as they have failed to prove it.

Increased Cost of Production and Financial Condition of Industry.- It was found that the mills have submitted figures to prove increased cost; on the other hand, the workers on whom the onus lay for proving that the mills were making increased profits, have not made any effort to substantiate their contention.

Over-Capitalisation and Ability to pay Increased Wages.- It was found that no evidence was brought out to show that the mills were over-capitalised. The Court disagreed with the workers' contention that the question of fixing the rates of pay is one which should be settled for the whole industry, and that therefore the rise which has been given in other centres ought to be granted in Nagpur also. According to the Court, it was the net amount retained by the workers after incurring necessary expenditure which should, as far as practicable, be similar throughout the industry; but as this was dependant on local conditions, an enquiry on an all-India basis was required to determine what should be the rates of wages throughout the industry. In Nagpur the local conditions do not justify any rise in wages and, therefore, Nagpur mills are not bound to follow the lead of other centres where an increase has been found necessary.

Workers to share Sacrifices entailed by War.- The Court further found that even if there had not been evidence to show that the workers are not entitled to any increase in their scales of wages, it would still be a question of Government policy whether the bare fact of a 10 per cent rise in the cost of living would justify a 10 per cent or any other rise in wages. In times of war, every member of the community must expect to suffer to a greater or less degree as a result of the war, and workers need be given a rise in wages only if the rise in the cost of living has pushed them below the minimum subsistence level. Further, the Court pointed out that the Nagpur workers have the means of supplementing their earnings by greater punctuality and less deliberate abstention from work.

No Dearness Allowance needed.- For all these reasons, the Court found that no dearness allowance should be given to the workmen in the textile industry at Nagpur, having regard to the present cost of living and the existing conditions in the industry.

C.P. Government awaits Developments.- According to a Communique issued on 28-3-1940 by the C.P. Government, it has decided to offer at present no comment on the findings of the Court. All that the Government desires at this stage is to assure both the public and employers and workmen that its good offices would continue to be available for effecting a settlement of any differences between the parties. The Director of Industries has, therefore, been instructed to continue to maintain the closest touch with both employers and workmen, and to inform them that, if at any time, more direct approach to Government is sought by either party, Government will arrange accordingly.

(C.P and Berar Gazette Extraordinary, dated 28-3-1940, pages 105 to 121).+

Cawnpore Mill Workers.- Dissatisfaction with the dear food allowance already granted by the Employers' Association of Northern India (vide pages 49 to 50 of our January 1940 report), and with the Association's refusal to refer the dispute to the Labour Commissioner, U.P., was expressed on 10-3-1940 by a deputation of the Mazdur Sabha, Cawnpore, to Mr. Panna Lal, Adviser to the Governor of the U.P. The deputation requested the Adviser to appoint a wage fixation board to inquire into the Cawnpore wages dispute under the terms of the Government resolution on the Cawnpore Labour Inquiry Committee's report. Mr. Panna Lal, it is understood, has found the demand for conciliation proceedings not unreasonable.

(The Times of India, 13-3-1940, and the Leader, 13-3-1940).

Calcutta Sweepers.- About 15,000 workers of the Scavenging and Cleaning Departments of the Calcutta Municipal Corporation struck work on 27-3-1940 consequent on the refusal of the Corporation to grant a war allowance of 25 per cent of the wages. The strike was, however, called off on 2-4-1940 on the Corporation agreeing to pay all employees receiving less than Rs. 30/- per month a compensatory allowance of Re. 1/- per month until a decision has been reached on the question of opening shops at which foodstuffs will be sold to them at pre-war prices. The settlement also provides for the appointment of a sub-committee to go into general conditions of work of the municipal workers.

(The Amrita Bazar Patrika, 28-3-1940 and 3-4-1940).

Demand for Dear Food Allowance: Review of Action by Ahmedabad Municipality.

At a meeting of the Ahmedabad Municipality held early in March 1940, a resolution was adopted to give a monthly dearness allowance of Rs. 2/- to all municipal employees ~~with salaries of~~ with salaries of Rs. 40/- per mensem and under. An allowance of one anna per day will be given to daily ^{back} employees whose daily wages do not exceed Rs. 1/5/-. The total monthly cost entailed by this decision will be Rs. 10,500. The allowances are to be given with retrospective effect from 1-2-1940 and are to continue till 31-12-1940, if the war lasts so long.

(The Times of India, dated 13-3-1940 and Bombay Chronicle, dated 8-3-1940)

Price Control.

Rise in Cost of Living in Bengal.

In view of the exaggerated reports about the rise in the cost of living of workers consequent on the war, the Government of Bengal issued a communique on 9-3-1940 giving details of the movement of cost of living index since September 1939. After considering various factors, such as cost of living in the various provinces, industrial progress registered in various cities, the commodities commonly used by industrial workers in Bengal and the varying proportions and prices (in March 1940

and immediately before the war) of these articles, the Bengal Government estimates that at present the cost of living is between 7 and 8 per cent higher than what it was immediately before the declaration of war. It is pointed out that the existing prices are much below the maxima that have been fixed by the Chief Controller of Prices. Owing to the measures which Government took to control prices from the very beginning, the prices of food-stuffs in December 1939 and January 1940 were not allowed to rise beyond what was strictly justifiable on economic grounds. Even when the price of wheat was rather high, the Chief Controller of Prices arranged with the flour-mills for sale of the varieties of atta and flour commonly used by the industrial workers at prices which left no profit to flour-mills. As prices have fallen considerably, it has not been found necessary to revise the maxima. The prices of commodities continue to show a downward tendency, but as conditions are uncertain, Government proposes to keep a watch on the situation and keep the public informed regarding future changes in the cost of living.

(Press Communique dated 9-3-1940
issued by the Director of Information
Bengal).

War Risk Compensation.

War Risk Compensation Schemes for Sailors and
other Personnel in Ships.

Compensation to Lascars.- The scheme adopted by the British Government for payment of compensation for lascars serving on ships registered in the United ~~King~~ Kingdom in respect of death or disablement directly attributable to war injuries has been extended by the Government of India to lascars serving on ships registered in India under the Merchant Shipping Act, 1894. An additional clause is now being inserted in the Articles of Agreement of lascars serving on all such ships embodying the main features of the scheme and the rates of compensation admissible. The rates of compensation are based on the customary rates of pay of lascars in force before 1-9-1939; provision is made for the payment, varying according to the rates of pay, of disablement allowances to lascars who sustain war injuries and, in the event of death, of pensions to their widows and allowances to their children and other dependants.

Rates for Disablement and Pensions for Widows.- For example, a lascar who was in receipt of a pay of under Rs. 30/- is eligible for disablement allowance of Rs. 5,000; one on a pay of Rs. 40/- and over, Rs. 5,000. Similarly, the ~~xxxx~~ scales of monthly pensions for widows range between Rs. 8/- for those whose husbands were drawing a pay of under Rs. 50/-, and Rs. 15/-, for those whose husbands were drawing Rs. 60/- or over.

Compensation to Officers and Non-lascar Personnel.- The scheme of compensation for officers and non-lascar crews of ships on the United Kingdom register, adopted by the British Government, has also been extended to the personnel of ships registered in India under the Merchant Shipping Act, 1894. The rates of compensation admissible depend, broadly speaking, on the position occupied by the mariner ~~at~~ the date of the war injury which was the cause of death and of the type and size of the ship in which he was employed.

Compensation for War Damage to Effects.- Another British scheme which has been extended to personnel of ships registered in India is the one regarding compensation for war damage to effects for various classes of personnel serving on ships registered in the United Kingdom. Examples of the maximum amounts of compensation payable under this scheme are \$100 for a Master and \$4 for a lascar.

(Press Note dated 20-3-1940 issued by the Commerce Department, Government of India). +

List of more important publications received in this
office during the month of March, 1940.

1. The International Labour Organisation.-

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