

INTERNATIONAL LABOUR OFFICE

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INDIAN BRANCH

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MAY 1954

Report for April 1934.

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

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References to the I.L.O.

The March 1934 issue of the Labour Gazette, Bombay, reproduces from "Industrial and Labour Information" of 19-2-34 the note announcing the change in the date of the opening of the 18th I.L.Conference from 11-5-34 to 4-6-1934.

\* \* \*

The combined monthly circular issued by the Karachi Indian Merchants' Association for January and February 1934 publishes a note on the recommendations made by the Association regarding the nomination of the Indian Employers' Delegate to the 18th I.L.Conference. The Association agreed to the suggestion made by the Federation of Indian Chambers of Commerce and Industry to nominate Mr. Kasturbhai Lalbhai as the Indian Employers' Delegate.

\* \* \*

The Hindu of 31-3-34, the Statesman and the Hindustan Times of 1-4-1934, and the Leader of 2-4-34 publish a forecast of the personnel of the Indian delegation to the 18th I.L.Conference, made by the Associated Press of India.

\* \* \*

The Statesman, the Amrita Bazar Patrika and the Hindustan Times of 5-4-34, the Leader of 6-4-34, Labour Times, Madras, of 23-4-34, the Indian Labour Journal, Nagpur, of 8-4-34, the March 1934 issue of the Labour Gazette, Bombay, and the Excerpts from the proceedings of the Committee of the Millowners' Association, Bombay, during March 1934 publish the communique issued by the Government of India on 4-4-34 announcing the personnel of the Indian delegation to the 18th I. L. Conference. The delegation

~~I. L. Conference. The delegation is to be composed as follows:~~

Government Delegates: (1) Sir Bimpendra Nath Mitra, K.C.S.I., K.C.I.E., C.B.E., High Commissioner for India, London. (2) Mr. A.G.Clow, C.I.E., I.C.S., Joint Secretary to the Government of India, Department of Industries and Labour.

Advisers to the Government Delegates: (1) Mr. A. Dibdin, India Office, London, (2) Mrs. Subbarayan, Madras.

Employers' Delegate: Seth Kasturbhai Lalbhai, Vice-President of the Ahmedabad Millowners' Association, Ahmedabad.

Workers' Delegate: Mr. Jamnadas M. Mehta, Barrister-at-Law, President, National Trades Union Federation and All India Railway-men's Federation.

Mr. Dibdin will also act as Secretary to the delegation.

\* \* \*

The National Call of 8-4-34 publishes the photograph of Mrs. Subbarayan who has been nominated an adviser to the Government delegation to the 18th I.L. Conference.

\* \* \*

The Hindu of 4-4-34 publishes a long letter dated 24-3-34 from its Geneva Correspondent, under the caption "International Labour Conference". The article deals with the items on the agenda of the forthcoming session of the I.L. Conference.

\* \* \*

The March 1934 issue of the H.E.H. the N.S. Railway Employees' Union Bulletin reproduces the note appearing in the Press Report issued by the I.F.T.U. on 18-1-34 under the caption "International Campaign for the 40-hour Week: 10 Reasons for the Reduction of Hours of Work."

\* \* \*

The Statesman and the Hindu of 23-4-34 publish a British Official Wireless message from Rugby to the effect that Sir Henry Betterton expressed to a deputation from the Trades Union Council, the opinion that the proposed I.L. Convention re. reduction of hours of work in industry is impracticable.

\* \* \*

Federated India, Madras, of 11-4-34 publishes a note under the caption "The I.L.O. Governing Body's 65th Session", summarising the decisions reached at the 65th session of the Governing Body.

\* \* \*

The March 1934 issue of the Labour Gazette, Bombay, publishes a communique issued by this Office on 1-2-34 under the caption "The I.L.O. and Non-Member States: Exploring Methods of Increased Co-operation."

(Copy of the communiqué was forwarded to Geneva with this Office's Minute H.2/268/34 dated 1-2-34).

\* \* \*

The Indian Labour Journal, Nagpur, dated 29-4-34 publishes a short summary of the speech delivered by Mr. B. Shiva Rao before the Madras Labour Union on 7-4-34. In the course of the speech Mr. Shiva Rao brought to the notice of the meeting the forthcoming Asiatic Labour Conference scheduled to begin at Colombo on 9-5-34 and exhorted Indian workers to take a keen interest in the Conference and to strengthen the Conference by according it their solid support .

\* \* \*

Federated India, Madras, of 11-4-34 publishes a communique issued by this Office on 6-1-34 summarising the speech on American Recovery Measures delivered by Mr. H.E. Butler at the meeting of the Industrial Co-partnership Association, London.

(For a list of other papers which published the communique, vide page 2 of our January 1934 report).

\* \* \*

The special Annual Number of Labour Times, Madras, issued on 2-4-34, publishes a summary of the article: "The Course of American Recovery", contributed to the January 1934 issue of the ~~Indian~~ International Labour Review by Mr. H.E. Butler, Director of the Geneva Office.

\* \* \*

The special Annual Number of Labour Times, Madras, issued on 2-4-1934 publishes an article contributed by the Director of this Office under the caption "National Economic Councils". The article outlines the more recent developments in connection with economic planning in various countries.

\* \* \*

The Hindu of 19-4-34, the Amrita Bazar Patrika of 27-4-34, of 22-4-34, the Indian Labour Journal, Nagpur, /and Labour Times, Madras, of 23-4-34 publish an article sent by this Office on 14-4-1934 under the caption "The New Turkish Labour Code", based on a note on the subject published in the issue of "Industrial and Labour Information" dated 12-3-1934.

\* \* \*

The Amrita Bazar Patrika of 29-4-34 publishes an article contributed by Dr. P.P.Pillai under the caption "Nazis and Control of Industry" giving details regarding the German Act to Regulate National Labour. The article is based on the Note on the subject published in "Industrial and Labour Information" dated 19-2-34. (The article was also published in the Indian Labour Journal, Nagpur, of 25-3-34: vide pages 6 to 7 of our March 1934 report).

\* \* \*

"The Whip", Calcutta, of 9-4-34 publishes an article contributed anonymously under the caption "India and International Assemblies: A Special Status". The article examines India's international status. In the course of examining the composition of delegations which have represented India at International Conferences, reference is made to the fact that Sir Ajul Chatterjee has represented India at various sessions of the I.L.Conference.

(The cutting from "the Whip" was forwarded to Geneva with our minute H.4/742/34 dated 12-4-34).

\* \* \*

"The Whip", Calcutta, of 9-4-34 publishes an article under the caption "India and Geneva" contributed by the Director of this Office. The article describes how successfully India has cooperated with the I.L.O. in <sup>improving</sup> ~~raising~~ conditions of labour in this country and directs attention to the benefits India has derived through such cooperation.

(The cutting from "The Whip" containing the article was forwarded to Geneva with this Office's minute H.4/742/34 dated 12-4-34).

\* \* \*

The Fourth Anniversary Number of the Insurance and Finance Review, Calcutta, issued in March 1934, publishes an article under the caption "The International Labour Organisation and Social Insurance", contributed by Mr. A.C.Chatterjee of the Information Section, League of Nations, Geneva. The article reviews the work and achievements of the I.L.O. in the field of social insurance.

\* \* \*

The March 1934 issue of the Indian Post, Delhi, reproduces an article under the caption "1933: From Labour's Point of View" originally published in the January 1934 issue of Headway under the caption "The I.L.O. Year". Copies of the article were forwarded to a few Indian Journals by this Office.

(For a list of other Journals which published the article, vide page 1 of our March 1934 report).

\* \* \*

The March 1934 issue of the Labour Gazette, Bombay, reproduces the note appearing in "Industrial and Labour Information" of 12-2-34 under the caption "India and Conference Decisions".

\* \* \*

The March issue of the Labour Gazette, Bombay, reproduces under the caption "I.L.O. Conventions: Ratifications by various States", the notes published in "Industrial and Labour Information" of 15-1-34, 29-1-34 and 12-2-34 regarding the ratification of certain conventions by Czechoslovakia, Netherlands and Italy.

\* \* \*



The Special Annual Number of Labour Times, Madras, issued on 2-4-34 publishes a long editorial article under the caption "A world Survey of 1933-34". In the course of the article, the action of the Government of India in recommending non-ratification of the Conventions of the 17th I.L.Conference is deplored.

\* \* \*

"Federated India", Madras, of 25-4-34 publishes short summaries of the notes published in the February, 1934 issue of the Monthly Summary of the I.L.O.

\* \* \*

The Presidential address of Mr. Walchand Hirachand at the 1st session of the All India Organisation of Industrial employers, which contained extensive references to the I.L.O., has been published in all the important newspapers of the country.

(A summary of the proceedings of the conference is given elsewhere in this report in the section dealing with Employers' Organisations, and a copy of the speech was forwarded to Geneva with this Office's minute D.2/750/34 dated 12-4-34).

The Leader of 7-4-34 publishes a long editorial article under the caption "Indian Industrialists and the I.L.O." The article refers to Mr. Walchand Hirachand's remarks to the effect that "it is the deliberate intention of the International Labour Organisation to equalise the conditions of employment for industrial labour in all countries with a view to offer an indirect advantage to such of them as are highly industrialised" and suggests that this might be the reason for admitting India to the Governing Body of the I.L.O., while she has been

excluded from the League Council. The article says:

'It is for the Geneva authorities to reply to the charge made against them by Mr. Walchand Hirachand and other employers regarding their alleged intention to promote the interests of western industrialists at the expense of non-European industrialists; but this is true that for some reason or other from the very beginning greater attention has been paid to Indian opinion in the councils of the I.L.O. than in those of the League of Nations. No Indian has yet been elected to the Council of the League of Nations, but the I.L.O. did see no harm in electing an Indian to its Governing Body. Sir Atul Chatterjee was considered competent enough to preside at the International Labour Conference, but no compatriot of his has so far been appointed to an equally important office under the League of Nations. Why should Indians who are held in such esteem by the authorities of the I.L.O. be denied a status of equality with Europeans inside the League chamber? But even if it may be true that the I.L.O. authorities who are showing so much interest in Indian affairs have their own axe to grind, that is no reason why beneficent legislative measures should not be enforced, why the recommendations and conventions of the Geneva organisation should not be accepted as far as possible and why in other ways efforts should not be made to promote the moral and material well being of the working classes who are at present living in conditions of appalling poverty, illiteracy and distress.'

Regarding Mr. Hirachand's plea for nominating advisers to non-government delegates to I.L.O. Conferences, the Leader remarks:

"We however agree with the request made by Mr. Walchand Hirachand that if the Government of India want that Indian employers should take the deliberations of the Labour Conference seriously, they should see that adequate provision is made for giving assistance to the non-official delegates by the appointment of advisers. The constitution of the I.L.O. permits the appointment of as many advisers to each delegate as there are subjects to be discussed. But for reasons of economy the Government have not been appointing any advisers to the non-official delegates for the last two years."

\* \* \*

The Times of India of 28-4-34 publishes a long article by Mr. B. Shiva Rao under the caption "Indian Employers and Geneva" criticising Mr. Walchand Hirachand's statement that the I.L.O. was created "to offer an indirect advantage" to such of the countries as are highly industrialised. Mr. Shiva Rao argues that whatever be the motive, such measures of labour legislation

as are advocated by the I.L.O. are necessary in the interests of labour. The article makes a strong plea for making labour a federal subject under the new constitution.

\* \* \*

The Hindu of 16-4-34 and other papers publish the full text of the presidential address of Mr. H.P. Mody at the first session of the Employers' Federation of India in the course of which extensive references were made to the I.L.O.

(A summary of the speech is given elsewhere in this report under the section "Employers' Organisations").

\* \* \*

The Hindu and the Amrita Bazar Patrika of 29-3-34, the Times of India of 20-4-34, Indian Finance, Calcutta of 21-4-34 and Labour Times, Madras, of 23-4-34 publish long reviews of the recent I.L.O. publication "International Survey of Social Services". The first two papers published the review in the form of editorial articles and cuttings from them were forwarded to Geneva with this Office's minute H.1/741/34 dated 12-4-1934. Cutting, from the third and fourth papers were sent to Geneva with this Office's minute H.1/860/34 dated 26-4-34.

\* \* \*

The April 1934 issue of India and the World, Calcutta, publishes an appreciative review of the Geneva publication: "Compulsory Pension Insurance" (<sup>Student Reports:</sup> ~~S & R~~ series M.No.10).

\* \* \*

The Indian Labour Journal, Nagpur, of 1-4-34, and the April 1934 issue of the Indian Review, Madras, publish appreciative reviews

of Dr. R.K.Das's article: "Child Labour in India" which was published in the December 1933 and January 1934 issues of the International Labour Review.

The Times of India of 3-4-1934 publishes a long and appreciative editorial article on Dr. Das's contribution.

\* \* \*

Federated India, Madras, dated 18-4-34 publishes a communique issued by this Office on 27-1-34 on the unemployment situation during the last quarter of 1933, based on a Geneva communique on the subject.

(For a list of other papers which published the communique, vide page 2 of the February 1934 report of this Office).

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11

National Labour Legislation.

Ceylon Workmen's Compensation Draft Ordinance, 1934.

The Government of Ceylon have recently published for general information, the Draft of a proposed Ordinance to provide for the payment of compensation to workmen who are injured in the course of their employment. The following is the Statement of Objects and Reasons appended to the Draft Ordinance, a copy of which was forwarded to Geneva with this Office's minute A.G./859/34 dated 26-4-34.

Objects and Reasons.

The purpose of this Bill is to provide a comprehensive Code to enforce and regulate the payment of compensation to workmen who are injured in the course of their employment. The Bill is modelled on the Indian Workmen's Compensation Act, (Act VIII of 1923), as revised and modified by the Amending Acts of 1924, 1925, 1926, 1929 and 1933. The Indian Amending Act of 1933 gives legislative sanction to the recommendations of the Royal Commission on Labour, India, (The Whitley Commission, 1929-1931). Many of the more important provisions of that amending Act will not come into force in India until July 1, 1934. Some of the clauses of this Bill are derived from the Straits Settlements Ordinance, No. 9 of 1932, which is also based on the Indian Workmen's Compensation Act of 1923. This Bill, like the Indian Act, follows the English model in its main principle; but distinctive features have been introduced with the object of providing simple and inexpensive machinery for the purpose of ascertaining definitely the quantum of compensation in individual cases and the parties who are entitled to such compensation.

2. Clause 2 defines "workman" to mean any person who is employed on wages not exceeding three hundred rupees per mensem in any such capacity as is for the time being specified in Schedule II. That Schedule contains twenty-two distinctive classes of employment most of which are hazardous in their nature. No employment has been included in that Schedule which is not included in the Indian Act as revised in accordance with the recommendations of the Whitley Commission. Schedule II can be amended or added to by regulation made by the Executive Committee for Labour, Industry and Commerce but only after three months' previous notice in the Gazette (clause 56); and no regulation becomes operative until it has been approved by the State Council and ratified by the Governor. Clause 2(2) provides that a reference to a workman includes a reference to his dependants in a case where the workman dies as a result of

the injuries sustained in the course of his employment. The definition of the term "dependant" received very careful examination during the passage of the Amending Indian Bill of 1933 through the Legislative Assembly and the definition adopted in this Bill is the definition which will become law in India on July 1, 1934.

3. Clause 3 provides that a workman is entitled to compensation if personal injury is caused to him by accident arising out of and in the course of his employment. There are three general categories into which all such accidents may be classified:-

- (a) where the workman dies as a result of the accident;
- (b) where the workman is partially disabled;
- (c) where the workman is totally disabled.

If a workman as defined in the Bill dies as a result of an accident his dependants are entitled to compensation according to the scale provided in Schedule IV(Clause 6).

The amount of compensation, except in the case of a minor, varies according to the salary of the deceased workman and provision is made for calculating such salary (Clause 7). If a workman is disabled as the result of an accident, compensation is not paid until after "waiting period" of seven days; in other words, the disablement must continue for seven consecutive days. Further, the accident should not be attributable to the intoxication of the workman, or to wilful disobedience to orders, or to a disregard of safety measures or devices. The contracting of anthrax or any other occupational disease mentioned in Schedule III is, for the purposes of the Bill, deemed to be an "accident".

4. Schedule I, read with the definitions of "partial disablement" and "total disablement" in Clause 2, provides an arbitrary but nevertheless simple and satisfactory method of ascertaining the extent of the disablement and consequently the amount of compensation. For instance, a workman who as the result of an accident loses the sight of both eyes is deemed to be permanently and totally disabled. It will thus be seen that the essential features of the Bill are really contained in the four Schedules: Schedule I which sets out a list of injuries together with a scale for ascertaining the percentage of loss of earning capacity; Schedule II which enumerates the employments and occupations in which a workman may be injured by accident; Schedule III which states what diseases shall be deemed to be accidents; and Schedule IV which provides a Table for calculating the amount of compensation which is based on the monthly wages of the deceased or injured workman where that workman is an adult. A minor, for the purposes of the Bill, is a person under the age of fifteen years. Where a minor dies as a result of injuries sustained by accident in the course of his employment or is permanently disabled as the result of any such accident, a lump-sum is payable as compensation.

5. The difference ~~has~~ between English legislation and the scheme sought to be introduced in the Bill is that under the English system the amount of the compensation and of the loss of earning capacity has to be proved for each particular case, whereas under the Indian system it is fixed according to scale. This rigid and inelastic nature of the scheme for ascertaining compensation is the principal characteristic of the Indian Workmen's Compensation Act, and the chief advantage derived from its inclusion in this Bill is that it leaves no room for contention and dispute.

6. Chapter IV provides for the payment, distribution and recovery of compensation. Where death occurs, payment has always to be deposited with the Commissioner (Clause 11); and such compensation is apportioned among the dependants by the Commissioner (Clause 12(2)). Clause 18 enables the Executive Committee to compel classes of employers specified by regulation to keep a "notice book" in the prescribed form so that a workman who is injured can conveniently give due notice of the accident to his employer by making an appropriate entry in the book. The principle of the "notice book" was introduced by the English Workmen's Compensation Act of 1923 and has been adopted in India with effect from January 1, 1934. Clause 21 enables an employer at his expense to get his own medical practitioner to examine an injured workman and provides the necessary penalties in a case where a workman refuses to submit himself to such examination. Clause 22 deals with the right of a workman to recover compensation from the principal of a contractor under whom he is employed, and Clause 24 safeguards the interests of a workman in the event of the insolvency of his employer by giving priority to any amount due to that workman in respect of compensation payable under the Bill when it becomes law.

7. Chapter V makes special provision to meet the case of workmen who are employed as masters or seamen. It has been considered advisable to restrict this part of the Bill to masters and seamen of ships required to be registered in Ceylon as British ships.

8. Chapter VI provides for the ~~a~~ appointment by the Governor of a Commissioner, a Deputy-Commissioner and such Assistant Commissioners as may be required for the purposes of administration. Chapter VII~~X~~ deals with proceedings before Commissioners and provides the necessary procedure for the investigation and determination of claims to compensation. As in India, the powers of the Commissioner are, in the majority of cases, restricted by the ~~fi~~xed and definite provisions of the Schedules which are designed to avoid contentions and disputes in ascertaining the right to and the amount of compensation payable according to law.

9. Chapter VIII provides for the registration of agreements whereby employers undertake to commute the liability to ~~make~~ half-monthly payments by the payment of a lump-sum as compensation.

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Special provision has been made for the avoidance of agreements made fraudulently or by the exercise of undue influence and for the protection of the interests of women and persons under legal disability.

10. ~~Spairt~~ Special provision is made in Chapter IX to permit only such insurance companies as are licensed to undertake insurance against liabilities to pay compensation to workmen who are killed or injured in the course of their employment. As it is anticipated that most employers will seek to cover the risk of liability to pay compensation to their workmen by adequate insurance, it is essential, in the interests of the workmen, that only approved and reliable insurance companies should be permitted to undertake such business.

11. Chapter X provides for an appeal to the Supreme Court against the order of a Commissioner in specified cases. An employer is not allowed to prefer an appeal against an order awarding a lump-sum by way of redemption of a half-monthly payment or otherwise unless the petition of appeal is accompanied by a certificate by the Commissioner to the effect that the appellant has deposited with him the amount payable under the order appealed against. No appeal is allowed against an order made by the Commissioner in a case where the parties have consented in writing to abide by his decision. The proviso to Clause 53 is intended to cover particular cases of hardship and is derived from analogous provisions in the Straits Settlements Ordinance. The Commissioner is empowered, pending the decision of an appeal, to distribute a sum not exceeding Rs.50 out of the money in deposit with him, to persons entitled to compensation under the order appealed against where he is satisfied that they are unable to support themselves through poverty. This amount is not refunded if the employer succeeds in his appeal.

12. Chapter XI provides for the making of Regulations by the Executive Committee of Labour, Industry and Commerce. Most of the necessary administrative machinery will have to be enacted in the form of subsidiary legislation and the safeguard has been inserted of submitting all regulations for approval by the State Council and for ratification by the Governor before they become law.

13. Chapter XII deals with miscellaneous matters. Clause 58 provides that compensation shall not be assigned or attached. Clause 59 makes null and void any agreement whereby an employer "contracts-out" with the object of removing or reducing his legal liability to pay compensation.

14. It is not intended that the Bill should deprive any workman of his ordinary common-law remedy and every workman is therefore at liberty to elect to proceed with his common-law action for damages or to claim compensation under the statutory provisions introduced by this Bill; but a workman cannot simultaneously prefer



a statutory claim and maintain a common-law action. (Clause 60). Clause 61 provides for the enforcement of reciprocal arrangements with other parts of the British Empire.

15. Clause 2 mentions the Crown in the definition of "employer" and, in paragraph 17 of Schedule II, the Ceylon Government Railway is specially mentioned in the list of scheduled employments. The provisions of the Bill will therefore apply equally to Government as well as to other workmen.

Bombay Maternity Benefit (Amendment) Bill:

Passed on 1935-34.

Reference was made at page 8 of the October 1933 report of this Office to the Select Committee report on the Bill to Amend the Bombay Maternity Benefit Act, 1929. This report was presented to the Legislative Council by R.D.Bell, the Home Member on 17-3-34. The Bill as drafted by the Select Committee contained the flat rate of annas 8 as maternity benefit for the three cities of Bombay, Ahmedabad and Karachi and for the mofussil cities, Mr. C.W.A.Turner, the Chief Secretary, moved an amendment to the effect that a woman in Bombay, Ahmedabad and Karachi should get 8 annas a day and a woman at other industrial centres should get at the rate of her average daily wage. Mr. Bakhale moved another amendment which sought to do away with the discrimination contained in Mr. Turner's amendment and tried to establish the principle of average daily wage throughout the Presidency. Mr. Bakhale's amendment was negatived and Mr. Turner's amendment was carried. Mr. Bakhale moved another amendment to the Bill the object of which was that in calculating the average daily wage of a woman, deductions on account of fines or spoiled cloth or on any other account should not be taken into consideration when maternity benefits were given. The amendment was accepted by Government. The Bill as amended was duly passed on 19th March 1934.

(The Trade Union Record, March & April 1934 combined issue).

The Indian Trade Disputes (Extending) Act, 1934.

At pages 13-14 of our February 1934 report was given the text of a Bill introduced in the Legislative Assembly on 26-2-34 with the object of extending the operation of the Trade Disputes Act, 1929, by making it a permanent measure. The Bill was passed by the Legislative Assembly <sup>without any change</sup> on 17-4-34 and received the assent of the Governor General on 28-4-1934. The text of the Act is published at page 45 of Part IV of the Gazette of India of 5-5-1934.

Conditions of Labour.

Conditions of Work on Indian Railways, 1932-33.

As in previous years, the Railway Board's Annual Report on Indian Railways is published in two volumes. Vol. I reviews the general administration, financial results of the working of railways and also comments upon important developments that occurred during the year. Volume II is a compilation of financial and statistical summaries and statements covering the main heads of the capital and revenue accounts and exhibiting statistics connected with the various aspects of railway working. The Annual Report is prepared for the financial year as reckoned from the 1st April in one year to the 31st March in the succeeding year, and is published in two volumes.

Earnings of Railways. - The depressed state of Indian trade during 1932-33 is reflected in the continued decrease which has to be recorded in the gross earnings of the railways. The earnings of State-owned railways fell from Rs. 860 millions in 1931-32 to Rs. 840 millions in 1932-33, representing a decrease of approximately Rs. 20 millions and the net loss from the working of State-owned railways was over Rs. 100 millions. No contribution to general revenues could, therefore, be made during the year. The decline in earnings was mainly due to the fall in goods traffic. The earnings from passenger traffic on all railways both State-owned and others was Rs. 313 millions, almost the same as in the preceding year, while the earnings from goods carried fell by nearly Rs. 20 millions from Rs. 587 millions to Rs. 569 millions. The more important decreases in the movement of goods traffic were in the export of jute, cotton, food grains and oilseeds.

The total earnings of all Indian railways, including those with which the Government of India is not directly concerned, amounted to Rs. 960.9 millions of which Rs. 568.9 millions or 59.2 per cent were from goods traffic, Rs. 313.4 millions or 32.6 per cent from passenger traffic and Rs. 78.6 millions or 8.2 per cent from parcels, luggage and miscellaneous items.

Number of Staff. - The total number of employees on all Indian Railways and in the office of the Railway Board and other offices

\* Govt. of India - Railway Department - Report by the Railway Board on Indian Railways for 1932-33 - Vol. I - Delhi: Manager of Publications 1934. pp. 117.

subordinate thereto (excluding staff employed on construction) at the end of the year 1932-33 was 710,271 as compared with 731,979 at the end of 1931-32. The increase in route mileage during the same period was 306 miles. The following table shows the number of employees by communities on the 31st March 1932 and 1933.

Date	Euro- peans.	Indians.				Total.	Grand Total.
		Hindus	Muslims.	Anglo- Indians & domi- ciled Europeans.	Other Classes.		
31-3-1932.	4,532*	520,575*	157,876*	13,570*	35,426*	727,447*	731,979*
31-3-1933.	4,297	504,082	152,875	13,048	35,969	705,974	710,271

\* The figures with asterisk represent revised figures due to minor corrections made in the figures published last year.

Cost of Staff. - The total number of staff on open line on 31-3-1933 was less by 21,267 than on 31-3-1932, while the total number of staff on construction was less by 4,525. The reduction in the total cost of staff during the year 1932-33 as compared with the preceding year was Rs. 18.606 millions, the cost of this year being Rs. 345,511,962.

Recruitment: Indianisation (1) State-Managed Railways. - During the year under review the total number of appointments made in the gazetted ranks on State-managed railways was 11 of which 4 went to Europeans and 7 to Indians, of whom 2 were Hindus, 1 Muslim, 1 Indian Christian and 3 Anglo-Indians and domiciled Europeans. The ratio of Indian to European recruitment was 63.6 to 36.4.

(2) Company-Managed Railways. - During the year under review the total number of appointments made in the superior service on Company-managed Railways was 26 of which 15 went to Europeans and 11 to Indians, of whom 6 were Hindus, 3 Anglo-Indians and domiciled Europeans, 1 Muslim and 1 Indian Christian. The net total number of vacancies filled, permanent or temporary, was 23 of which 10 went to Europeans. The total actual appointments filled by Indians were 15, of which 8 were Hindus, 1 Muslim, 4 Anglo-Indians and domiciled Europeans, 1 Sikh and 1 Indian Christian. The ratio of Indian to European recruitment was 42.3 to 57.7 in respect of permanent appointments and 60.0 to 40.0 in respect of all appointments, whether permanent or temporary.

(3) Review of Progress made since 1925. - The Indian element in the superior services has risen from 28.02 per cent on State-managed and 17.74 per cent on Company-managed Railways in 1925 to 38.79 per cent on State-managed and 32.13 per cent on Company-managed Railways in 1933 by a corresponding reduction in the European element.

Training of Staff. - As stated in the Report for the last year, the Railway Staff College, Dehra Dun, was closed at the end of February 1932. Since then the question as to the most suitable methods to adopt in regard to the training of officers and probationers has been engaging the attention of the Railway Board who had the advantage of discussing this question with the Agents of Class I Railways at Simla in October 1932. The opinion of the majority of the Agents was that, though the Staff College had been closed, lectures should continue to be given to probationers of the Transportation (Traffic) and Commercial Departments. The majority of those present at the time of this discussion agreed that refresher lectures were also of value to officers. The matter is still under the consideration of the Railway Board and it is hoped that a decision would be arrived at an early date. In the meantime probationers are being given training by the Railways to which they are posted under directions issued by the administration.

Improvements in Service Conditions of Staff: (1) Hours of Employment Regulations. - The question of the extension of the application of the Hours of Employment Regulations to the Burma and the Company-managed Railways was reviewed by the Board early in January 1933, when it was decided that, in view of the prevailing financial stringency, it would not be possible to extend the application of the Regulations to these railways for the time being. In communicating this decision, these railway administrations were asked not to relax their efforts to apply the provisions of the Regulations where this was possible without incurring additional expenditure, it being pointed out to them at the same time that the present conditions of slack traffic presented opportunities for re-organising work in certain instances so as to achieve this end, and that anything which could be done in this direction would facilitate the more precise application of the Regulations which will be necessary when statutory effect is given to them on these railways. These railway administrations were also asked to report to the Board the action they might find it possible to take in the direction indicated by the Board.

(2) Acceleration of Payments. - The question of the speeding up of the payment of wages to staff on railways continued to receive the attention of the Railway Board and the railway administrations. Mention was made in the last report (vide page 24 of our February 1933 report) of a system introduced on the Eastern Bengal Railway for the preparation and payment of wages bills so as to ensure that workshop staff received their wages within 8 to 10 days and all other staff within 7 days of the close of the period for which they were earned. With a view to encouraging the extension of such a scheme to other railway administrations, a copy of the report on the introduction of earlier payments on the Eastern Bengal Railway was circulated to principal railway administrations in June 1932. The subject was further examined by the Railway Board in connection with certain recommendations made by the Royal Commission on Labour and a bill to regulate the payment of wages

to certain classes of persons employed in industry was introduced in the Legislative Assembly on the 1st February 1933 (vide pages 15-20 January 1933 report) by the Government of India. This bill aims at securing prompt payment of wages and of regulating deductions from wages of workmen. The scope of the bill is limited, in the first instance, to employees in receipt of less than Rs.100 a month, the provisions relating to prompt payment of wages being applicable, in the first instance, to workers employed in factories and those relating to deductions being intended for application, in the first instance, to factory workers and railway workers. The bill was circulated for eliciting public opinion, on the adoption of a motion by the Legislative Assembly, on the 14th February 1933, to that effect.

(3) Investigation into the System of Raising and Recovering Debits. - Mention was made in the last report (vide pages 24-25 of our February 1933 report) of a system to be tried on the Eastern Bengal Railway under which error sheets of amounts exceeding a certain amount were to be checked by a gazetted officer of the Accounts Department and, if necessary, discussed with a Commercial Officer, a debit being raised only after both are agreed to its correctness. This system was introduced on the Eastern Bengal Railway and continued to be in operation during the ~~xxx~~ period under review. On receipt of a report from the Eastern Bengal Railway on the results of this experiment the question of the continuance of the system on the Eastern Bengal Railway and of the extension of similar or modified schemes to other railways will be considered.

In the last report (vide pages 24-25 of our February 1933 report) a reference was also made to the proposed trial, on the North Western Railway, of a Conduct Marks System, with a view to elimination of fines and debits for petty offences. The Agent, North Western Railway, reported that a system of Conduct Marks has been introduced on the Delhi Division with effect from the 1st March 1933. The question of extending the system will be considered after a report has been received from the Agent, North Western Railway, and if it is found that the system has worked successfully during the experimental stage.

Welfare. (1) Education of Employees' Children. - ~~It~~ It was stated in the report for the last year that an officer of the Education Department was placed on special duty to make a detailed estimate of the cost of the introduction of the new rules for the grant of assistance to railway employees towards the education of their children, as well as the cost, as it would be, if the rules were liberalised in certain directions, and further to report on the administration of the schools maintained by the State-managed Railways. This officer was, as stated last year, engaged in his investigation on the East Indian, North Western and Great Indian Peninsula Railways. He completed his investigation on these railways in 1932. His reports on these, as well as on the Eastern Bengal Railway, are still under consideration by the Railway Board.

(2) Staff Benefit Fund. - The staff benefit funds introduced on the State-managed railways with effect from the 1st April 1931, continued to function and, with the establishment of a staff benefit fund on the Madras and Southern Mahratta Railway from the 1st January 1933, all the Company-managed railways have now established staff benefit funds on their railways.

Report of the Royal Commission on Labour. - It was mentioned in the last report that the Board had been able to formulate provisional conclusions on certain of the recommendations contained in the chapters of the Report of the Royal Commission on Labour concerning railways. During the period under review the examination of the recommendations of the Royal Commission affecting railways continued to engage the attention of the Board and in December 1932, instructions were issued to State-managed railways, with an invitation to Company-managed railways to follow a similar procedure, giving effect to certain recommendations, the chief of which are:-

- (i) that necessary arrangements should continue to be made by the railway administrations to make known to all employees and applicants for employment that bribes are in no circumstances to be given and that proof of giving or taking bribes will render employees liable to summary dismissal;
- (ii) that the principles embodied in the leave rules should be reviewed from time to time by railway administrations;
- (iii) that the claims of low-paid workers to improved wage standards should continue to receive the attention of the railway administrations with due regard to the level of prices and financial considerations;
- (iv) that the weekly rest period may be granted to all continuous workers except the running staff and certain categories of the works staff of the Engineering department so far as financial considerations permit and that, pending the extension of the Hours of Employment Regulations to the Railway to which they have not yet been applied and the subsequent examination of the reduction of the hours of work of intermittent workers, railway administrations should take the necessary steps to reduce the hours of work and provide suitable periods of rest in individual cases where humanitarian considerations require such a course;
- (v) that railway administrations should continue to give effect to the principle of finding suitable alternative employment in regard to workers declared medically unfit for a particular post;
- (vi) that railway administrations should continue to give effect to the existing practice by which records are kept of the temporary service of employees, where practicable, with a view to priority for permanent employment; and
- (vii) that on one State-managed railway arrangements should be made for the maintenance of a register for the purpose of checking the turnover in one or possibly two departments,

the practical advantages of the maintenance of such registers to be investigated after this experiment had been tried for one year. The East Indian Railway was selected for this experiment.

Other recommendations of the Royal Commission on Labour affecting railways are still under the consideration of the Railway Board.

Staff Retrenchment. - In a communiqué dated the 6th June 1932 issued by the Government of India, it was announced, *inter alia*, that in view of the continued serious decline in the volume of traffic, the gross earnings and transportation operations of railways, the Government of India had decided to authorise the resumption of the retrenchment of staff on railways in which the surplus, according to an estimate made in January 1932, was placed at 7,477, with a further surplus of 4,482 anticipated as likely to arise in the near future. In authorising the resumption of retrenchment in this communiqué, certain instructions were laid down for the guidance of State-managed railways in effecting the contemplated retrenchment with an invitation to Company-managed railways to follow a similar procedure. Attractive terms were offered to employees for voluntary retirement up to 31-7-1932 in units in which there was a surplus and up to 31-10-1932 in units in which there was no surplus but where there was a waiting list of men discharged.

The number of voluntary retirements on all railways up to the 1st week of September 1932 was about 4,250; thus out of the total number of 7,477 employees estimated as likely to be surplus in January 1932 with a prospect of a further surplus of 4,482 employees, the number to be discharged was relatively low.

Cut in Pay. - During the year under review it was decided that an emergency reduction in pay not exceeding 5 per cent instead of 10 per cent as in 1932-33 should apply during 1933-34 in respect of all Government servants including those of the Railway Department. Company-managed railways have adopted the same procedure.

Revision of Scales of Pay. - During the year under review, the Railway Board formulated certain proposals in regard to revised scales of pay for future entrants into the Superior Services and these received the approval of the Secretary of State for India. It is intended that the revised scales of pay should be introduced during 1933-34. The revision of the scales of pay for Subordinate services is still under examination.

(The report of the Railway Board for the year 1929-30 was reviewed at pages 20-25 of our December 1930 report, that for 1930-31 at pages 12-18 of our April 1932 report and that for 1931-32 at pages 19-27 of our February 1933 report).



Quarterly Strike Statistics for the Period ending 31-12-33.

According to the statistics of industrial disputes in British India for the quarter ending 31-12-1933, published by the Department of Industries and Labour of the Government of India, there were 45 disputes involving 42,953 workers and entailing a loss of 414,111 working day. The largest number of disputes occurred in the Bombay Presidency where 31 disputes involving 32,872 workers entailed a loss of 283,179 working days. Bengal comes next with 8 disputes involving 6,585 workers and entailing a loss of 93,880 working days; Burma with 2 disputes involving 1,455 workers and entailing a loss of 4,310 working days; and Assam, the Central Provinces, Madras, and Ajmer-Merwara with 1 dispute each involving 400, 1,400, 191, and 50 workers, respectively, and entailing losses of 400, 27,200, 1,242, and 3,900 working days respectively.

Classified according to industries, cotton and woollen mills were responsible for 32 disputes involving 33,952 workers and entailing a loss of 311,848 working days. 3 disputes occurred in jute mills which involved 3,200 workers and entailed a loss of 73,650 working days. Other miscellaneous industries were responsible for 10 disputes involving 5,801 workers and entailing a loss of 28,613 working days.

Of these 45 disputes during the period under review, 35 were due to wage questions, 2 due to those of personnel, 1 to leave and hours and 7 to other causes. In 5 disputes the workers were successful, in 5, partially successful and in 28 unsuccessful. 7 disputes were in progress at the end of the quarter under report.

(The statistics of industrial disputes for the quarter ending 30-9-33 are summarised at pages 21-22 of our January 1934 report).

Industrial Disputes in British India, 1933.

According to a communiqué dated 5-4-1934 on industrial disputes in British India during 1933, issued by the Department of Industries and Labour of the Government of India, the total number of strikes during the year (including 3 strikes in progress on 31st December 1932) was 146 and the total number of workers involved was 164,938 as compared with 118 strikes involving 128,099 workers during 1932. The total number of working days lost during the year was 2,168,961 as compared with 1,922,437 during 1932. The year was free from strikes of serious magnitude. The largest strike contributing to the returns was that in the Madras and Southern Mahratta Railway workshops at Perambur, Arkonam and Hubli, which affected 8,000 workers and involved a total loss of about 490,000 days; but this fell for the most part in the preceding year and ended in January 1933. In 97 of the strikes, or 66%, the chief demand related to wages or bonuses. The number of strikes in which the workmen were successful in gaining any concessions was approximately 31% of the total number of strikes ended during the year.

During the year under review, there were 82 disputes in the Bombay Presidency involving 75,504 workers and entailing a loss of 824,158 working days. Bengal comes next with 29 disputes involving 45,334 workers and entailing a loss of 714,220 working days; Assam with 10 disputes involving 4,915 workers and entailing a loss of 9,421 working days; the Central Provinces with 8 disputes involving 14,100 workers and entailing a loss of 315,368 working days; Madras

with 6 disputes involving 13,766 workers and entailing a loss of 65,108 working days; the United Provinces and Burma with 5 disputes each involving 6,570 and 1,599 workers respectively and entailing losses of 178,267 and 5,130 working days respectively; and Ajmer-Merwara with 2 disputes involving 3,150 workers and entailing a loss of 57,289 working days.

Of these 147 disputes, one - Madras and Southern Mahratta Railway workshops - extended to two provinces, Madras and Bengal and thus, counted as one. So the total strikes during the year was, as stated above, only 146.

Of these 146 disputes during the year, 95 were due to questions of wages, 19 to those of personnel, 5 to those of leave and hours, 2 to those of bonus, and 25 to other causes. In 20 cases the workers were successful, in 23 partially successful and in 96 unsuccessful, while 7 disputes were in progress at the close of year.

Classified according to industries, there were 87 disputes in cotton and woollen mills involving 91,407 workers and entailing a loss of 1,134,317 working days; 11 in jute mills involving 29,174 workers and entailing a loss of 443,394 working days; 3 in railways (including railway workshops) involving 11,947 workers and entailing a loss of 53,189 working days, and in 1 in engineering workshops involving 40 workers and entailing a loss of 40 working days. There was no dispute in mines during the year under review. In all other industries together, there were 44 disputes involving 32,370 workers and entailing a loss of 538,021 working days. (The communiqué on Industrial Disputes in British India during 1932 is reviewed at pages 28-30 of our February 1933 report).

Working of the Hours of Employment Regulations

on N.W., E. I., E. B., & G. I. P. Rail-

way, 1932 - 33\*

Extension of Application of Regulations. - The provisions of Chapter VIA of the Indian Railways Act, 1890 ( as amended in 1930) were given statutory effect on the North Western and East Indian Railways from 1st April 1931. These were the first two Railways to which the Regulations were applied. At the beginning of 1932-33, two more systems, viz., the Eastern Bengal and Great Indian Peninsula Railways were brought within the scope of the law with effect from the 1st April 1932. Thus the Regulations have now been operative on the first two Railways for two years and on the latter two Railways for one year. With the addition of these two systems, all State-managed Railways with the exception of the Burma Railways, have been brought under the Regulations, and in so far as three of these Railways are among the largest in the country, in actual fact, more than half the total number of railway servants in India are now protected by legislation which was the outcome of the Government of India's ratification of the International Labour Conventions adopted at Washington in 1919 and at Geneva in 1921. This year's Annual Report deals primarily with the four railways mentioned above ~~and~~ but it is pointed out that although the Regulations have not yet been extended to the Burma Railways and the Company-managed Lines, yet many of their employees have for some time been working within the restrictive limits imposed by the new law and this tendency is probably being accentuated by the influence of changed practice on adjacent Lines where the latter are working in accordance with the Regulations.

Number of Staff Involved. - The number of non-gazetted open line staff on ~~the~~ 31-3-1932 on the four Railways in question were as follows: North Western Railway, 108,182; East Indian Railway, 128,066; Eastern Bengal Railway, 48,823; and Great Indian Peninsula Railway, 89,205. It is remarked that it is not possible to give definite and accurate figures as to the number of these employees who come under the Factories Act, as opposed to those to whom the Hours of Employment Regulations apply. Approximate figures, which are sufficiently accurate for the present purpose, are given below:

		Approximate number of employees coming under the	
		Factories Act.	Hours of Employment Regulations.
N.W.	...	13,000	95,000
E.I.	...	28,000	100,000
E.B.	...	9,000	40,000
G.I.P.	...	11,000	78,000
Total		<u>61,000</u>	<u>313,000</u>

\* Government of India Railway Department - Annual Report on the working of the Hours of Employment Regulations on the N.W., E.I., E.B. & G.I.P. Railways during the year 1932-33. by Major H.W. Wagstaff, M.C., R.E., Supervisor of Railway Labour, Simla: Govt. of India Press. 1933. pp.20.

Railway servants on construction also come within the scope of the Regulations, but these are always inconsiderable as the greater part of such work is carried out by contract. Moreover, the amount of construction work which the four railways in question had in hand during 1932-33 was negligible.

Inspection. - During the year under review 2680 inspections were carried out by six inspectors, 967 in N.W. Railway, 556 in E.I. Railway, 954 in G.I.P. Railway and 203 in E.B. Railway.

Hours of Employment. - The report states that a few instances are still coming to light where individuals are found exceeding the stipulated maxima on the North Western and East Indian Railways, and remarks that it can hardly be said that there is any excuse for this under present conditions of slack traffic when continuous workers should find no difficulty in completing their work during rostered hours. On the other hand, supervising subordinates are now realising to an increasing extent that it is their duty to ensure that the rostered hours of employees are accurately worked to. On the Eastern Bengal and Great Indian Peninsula Railways, this failure to adhere to rostered hours is more marked, but it is probably only a question of time for the staff of these two Lines to learn the lessons which have been inculcated on the North Western and East Indian Railways. On all the four Railways, the Assistant Station Master at small stations where there is only one Station Master and ~~one or two Assistant Station Masters~~, is still sometimes found working outside his rostered hours.

The 84-hour weekly limitation applicable to essentially intermittent workers is, as far as could be ascertained, being generally adhered to, except in relation to a particular type of work. In general terms, the loading and ~~un~~ unloading of goods is carried out by one of three systems:- (a) by contract; (b) by the employment of whole-time luggage or goods porters; and (c) by utilizing menial staff of various categories to do this work in addition to their other duties, for which they receive some additional remuneration. The last method is naturally in vogue at smaller stations where the work is not sufficient to be let out on contract or for the employment of whole-time porters. What happened in the past, and is still happening to a great extent, is that pointsmen, watermen, sweepers, etc., are employed to do this work. These employees at the stations under discussion are generally classified as essentially intermittent.

Periods of Rest. - It is remarked that reports from Inspectors seem to indicate a general improvement in the way that this provision of the Act is being carried out. Attention was drawn in last year's Report to certain specific categories of staff such as Station Masters, Assistant Station Masters, and Commercial Staff (Booking and Goods Clerks and Ticket Collectors) in regard to which difficulties had been experienced as far as the weekly rest was concerned. These difficulties are gradually being

eliminated and the staff now realise more fully that they must complete their week's work during their rostered hours. At the same time, the difficulty with regard to Station Masters who are either not permitted or do not wish to depute their Assistants to carry out certain duties, still remains. Apart from this, however, the criticism made last year to the effect that it is essential that Administrations should make provisions for, and insist on, a sufficient delegation of powers to ensure that Station Masters can and do enjoy their periodic rest, still holds good.

The progressive modification of rosters so as to allow employees a calendar day's rest instead of the legal minimum of 24 consecutive hours extending from one day to the next, still continues, as these responsible become more familiar with the possibilities of different types of rosters. As far as can be ascertained, the introduction of the calendar day rest has been attended with excellent results and it is no doubt a development in the right direction.

Interpretation of Rule 6. The Governor General in Council has in Rule 6 exercised his powers as regards certain staff which may be allowed periods of rest on a scale less than that provided by the Act. This Rule is now better understood and fewer staff are found to have been erroneously brought under it. There is, however, a clause of the Rule which needs elucidation. Among the staff who come under it are "artizans and unskilled labour employed for temporary purposes on open lines". It has been argued in interpreting this clause that if permanent railway servants are engaged upon temporary work, they lose the full protection of the Act which they have hitherto enjoyed, and come temporarily under Rule 6. The report suggests that this interpretation is wrong and that the full protection of the Act which is applicable to permanent employees should also continue to apply to such workers during these times.

Classification of Staff. - The approximate percentages which the various categories of employees bear to the total staff as given by the Administrations concerned, are shown in the following table:-

Approximate percentage of staff in various categories under the Factories Act & Hours of Employment Regulations.

	Conti- nuous.	Essen- tially inter- mittent.	Super- visory.	Excluded from the Regulations.	Total.
North Western Railway					
a) Total Staff.	84%	11.5%	1%	3.5%	100%
b) Staff Excluding Workshops	82%	13%	1%	4%	100%

	Conti- nuous.	Essent tially inter- mittent.	Super- visory.	Excluded from the Regulations.	Total.
<b>East Indian Railway.</b>					
a) Total staff	85%	8%	6%	1%	100%
b) Staff excluding workshops.	83%	7%	9%	1%	100%
<b>Eastern Bengal Railway.</b>					
a) Total Staff	74%	20%	1%	5%	100%
b) Staff excluding Work- shops.	67%	25%	2%	6%	100%
<b>Great Indian Peninsula Railway.</b>					
a) Total Staff	82%	15%	1%	2%	100%
b) Staff excluding Work- shops	78%	18%	1.5%	2.5%	100%

The high percentages of essentially intermittent staff on the Eastern Bengal and G.I.P. Railways have been explained as due to, ~~mainly~~ (1) the classification of certain categories of staff as essentially intermittent when their work is not really so; (2) the failure to realise the true nature of essentially intermittent work and (3) the failure to adjust the labour available during the 24 hours to the changing work-load.

Temporary Exceptions to Hours of Work and Periods of Rest. - It is remarked that it cannot be said that the difficulties concerning the delegation of powers with regard to making temporary exceptions have been entirely overcome, but all the four Railways have now published definite instructions as to the way in which these temporary exceptions are to be imposed. It has to be borne in mind that during the present conditions of slack traffic little necessity arises for making temporary exceptions. Some improvement can be reported with regard to the keeping of records of extra-roster hours worked at stations and in other establishments, while a great advance has taken place in the provision of blank overtime slips at all important points, so that there is now little excuse if the possible claims of employees to overtime payments are not submitted to the requisite authorities.

Payment of Overtime. - While the theoretical difficulties of computing with accuracy the amount of overtime payments earned by employees who perform extra-roster hours, so as to bring their total employment beyond the limitations laid down by the law, have not yet been solved, the practical difficulties in connection with the recording of these extra-roster hours and the submission of overtime slips are being gradually overcome, and now that all the four systems have distributed a standard form of overtime slip,

there is not so much likelihood of an employee's claim to overtime payment being neglected. Under present conditions of slack traffic, occasions when extra-roster hours have to be worked on traffic account are comparatively rare, the most usual instances being pressure of work devolving on employees when their fellow-workmen fall sick.

Display of Regulations and Rosters. - At the beginning of the year, reports showed that a good deal remained to be done on the Eastern Bengal and Great Indian Peninsula Railways in order to comply with the provisos regarding the display of regulations and rosters. This matter has, however, been rectified during the later part of the year, although reports still contain a few complaints in this respect. There is also a considerable improvement in regard to the display of rosters at the place of work. A certain amount still remains to be done in this direction on the Eastern Bengal and Great Indian Peninsula Railways, but experience on the other two systems shows that there is very little difficulty in having rosters displayed either at, or reasonably near, the place of work of all employees.

Continual Night Duty. - The extent to which employees are rostered for continual night duty on the Eastern Bengal and Great Indian Peninsula Railways is comparable to that on the two other systems with regard to which it was stated in last year's Report that "in actual practice, comparatively little night duty is being worked". On the whole, the Great Indian Peninsula Railway appear to have been more successful in avoiding continual night duty for watchmen than the other railways, chiefly perhaps because their Watch and Ward system is more highly organized - the same is noticeable on the two Divisions of the North Western Railway where this staff is organized as a separate entity. In the last year's Report, attention was directed to the peculiar difficulties experienced at stations where only one Station Master and one Assistant Station Master are employed, and where the latter has very often to perform night duty continually. There has been some improvement in this respect on the North Western and East Indian Railways, the former having modified rosters so as to ensure that the Station Master's shift covers at least part of the night. The problem is equally urgent on the other two systems.

Limitation of Hours of Work for Intermittent Staff. - Neither the Act nor the Rules prescribe a daily limitation for any staff coming under the Regulations, but Subsidiary Instruction No.12, lays down, with regard to essentially intermittent workers, that "Every effort should be made to limit under normal conditions their daily hours of duty to 12". No difficulty appears to be experienced now in complying with this Subsidiary Instruction.

Spread-Over. - Although neither the Act nor the Rules prescribes any minimum period of daily rest, Subsidiary Instruction No.13, lays down that employees to whom the Regulations apply "should,



as far as possible, be given in every period of 24 hours a minimum rest period of not less than 8 consecutive hours." In other words, a maximum daily "spread-over" of 16 hours is the ideal to be aimed at. 19 cases where this spread-over is exceeded have been reported during the year from the establishments inspected, but it is hoped that they are gradually being eliminated.

(The working of the Hours of Employment Regulations on N.W. and E.I. Railways during 1931-32 was reviewed at pages 14-19 of our February 1933 report).

### Several Match Factories Closed:

#### Sequel to Excise Duty.

The Western India Match Company's factory at Ambernath, the largest of its kind in Western India, has been closed. The closure, which was effected on April 1, is temporary pending the decision of the Central Legislature on the proposal of the Finance Member of the Government of India regarding the imposition of excise duty on matches. The factory was established in 1923. It is not certain when the work will be resumed in the factory. It is stated, however, that even if the factory is opened, the volume of business turned out will not be equal to what it was till now, as it is feared that the excise duty will reduce the consumption of matches. Owing to the closure of the match factory at Ambernath, ~~the~~ workers numbering 950 have been thrown out of employment. (The Times of India, 5-4-34).

- There are altogether about a dozen match factories in the Presidency of Bombay, including Cambay and Petlad. Immediately after the closing down of the Western India Match Factory at

Ambernath five more factories in the Presidency decided to close down, thus throwing out of employment 5,000 workers.

(The Statesman, 6-4-34).

Closures of <sup>match</sup> factories are also reported from Madras, Sattur, Virudunagar, Sivakasi and Aruppukottah in the Madras Presidency.

(The Times of India, 5-4-34).

Textile Industry in C. P.:

Government Inquiry into Present Conditions.

An enquiry into the present conditions of the textile industry in the province with particular reference to the problem of wage cuts has been ordered by the Government of the Central Provinces. It is also understood that the enquiry will be conducted on similar lines as in the Bombay Presidency. The following are among the more important points raised in the Questionnaire issued in this connection to the various textile unions in C.P. by the Director of Industries of the province.

1. Wage Charges since 1-1-1926. - Whether any increases or decreases have taken place in the rates of wages of operatives in cotton mills since January 1, 1926, and if so, the extent of the increase or decrease. Specific instances, where cuts direct or indirect have been made along with reasons given for effecting cuts.

2. Efficiency Schemes. - Have the mills introduced any schemes with a view to increasing the efficiency of the plant or operatives? Details of such schemes and their effect on wage rates, employment and the conditions of work of operatives.

3. Numbers Employed. -

Information as to whether there has been an increase or decrease in the number of workmen employed in various mills since January 1, 1926.

4. Surplus Labour & Unemployment. - Whether it is true that much surplus labour was available for working in the cotton mills? An estimate of the volume and the character of unemployment prevailing among the textile workers.

5. Hours of Work. - Information regarding changes, if any, in the hours of work of textile workers since January 1926 with specific instances.

The replies to the questionnaire are expected by 21-5-1934.

(The Times of India, 26-4-1934).

### The Textile Strikes.

The long-threatened strike of Bombay mill operatives materialised on 23rd April. The strike was by no means "general" at first, but the situation was aggravated by the determination of the strikers to demonstrate in front of those mills which were still working. This led to many clashes with the police, whose ranks had to be reinforced by armed drafts from outside the city. Some of the strike leaders who, in defiance of the police ban, broke the police cordon and led a procession of strikers into a prohibited area were arrested. The situation worsened towards the end of the week. On the 26th the ranks of the strikers swelled to 60,000 and the police were kept busy breaking up riotous demonstrations by means of baton charges. To counteract this the Chief Presidency Magistrate issued an order banning meetings of strikers in the mill areas. On the 27th the strikers threw restraint to the winds and stoned police parties who endeavoured to disperse them. Again and again the police were compelled to fire. At the close of the day only two mills were working and the number of men on strike had risen to 85,000. The strike leaders thus achieved their avowed object of "paralysing" the mill industry, temporarily at all events. The millowners are standing firm and the Government have not felt themselves called upon to interfere in what seems to be purely a domestic wrangle. (The Statesman, 29-4-1934).

The Girni Kamgar Union, the labour organisation with the largest membership, and the Red Girni Kamgar Union have temporarily sunk their differences and have made common cause to organise the strike, which is at present fully occupying the attention of their respective executives.

More moderate opinion in labour circles, while holding that there is ample justification for a strike, is insistently voicing the opinion that the present time is not opportune for taking this step. Supporters of this school of thought declare that within the next two months, the Government's report on the textile industry will be published and they are confident it will further their cause. If the millowners do not implement all the recommendations of the inquiry, they think their case for embarking upon a strike will be further strengthened as public opinion will then be entirely in their favour.

The main reasons for a general strike, according to the labour leaders, is to protest against the introduction of a system of rationalization and reductions in the basic wages and "dear food" allowances of the workers. In some mills the "dear food" allowance has been entirely done away with. The labour leaders assert that the system of rationalization as introduced in several mills is harmful to the interests of workers: operatives, who before the introduction of the system worked at only two looms, now watch over three to six looms, thus displacing many men who fill the ranks of the unemployed. On the other hand, the assurance of the managements of the mills that the system is aimed at increasing the efficiency of the operatives commands little favour in the eyes of the leaders. They agree that by this system the output of cloth is certainly greater, but they

state that the extra remuneration is not at all adequate as compared with the sacrifices expected from the workers.

The labour leaders also say that they are unable to understand how the cuts and reductions are arrived at. The "axe" has been applied in the cause of retrenchment, but as the trade depression is affecting all the mills equally why, they ask, are not the cuts standardized in all the mills? The cuts vary from 11 to 30 per cent in some mills, according to them.

Another subsidiary ground made out in the strike agitation is the non-recognition of the Girni Kamgar Union by the millowners.

(The Statesman, 28-4-1934).

In only rare instances, and those very early in the ~~agita~~ agitation, have mill workers presented any grievances to employers; the majority of the strikers have left work without attempting to communicate with the management.

The origin of the general strike plan may be traced to a decision at a meeting of the Cawnpore Trade Union Congress. At the Cawnpore meeting a great deal was said about wage cuts and reductions in dear food allowances and it was decided that there must be a general strike of textile workers. The next move was taken at Bombay on January 26 when a Textile Workers' Conference set up a council of action with a view to bringing about a general strike of textile workers on April 23 and a general strike of all industrial labourers on May 1, Labour Day. The Special Representative of the Statesman is of opinion that communist influences are at the back of the present labour agitation.

Sympathetic labour troubles were a feature of the Delhi Textile mills during the last four days of April, and a general textile strike has been called at Nagpur on the 1st May.

(The Statesman, 30-4-1934).

The Indian Social Reformer of 28-4-34, an organ of "moderate" public opinion, has the following comments on the general strike:

"The general opinion is that the grievances of the workers are not without justification but that the strike is ill timed! .....  
 "The Government attitude seems to be that they will let the employers and employees settle their differences, themselves merely keeping the peace. This is not the right attitude, and it cannot be maintained for long. The consequences of the strike if prolonged, even if there be no breach of the peace, will be serious to the community in several ways. Further, in a conflict like this the two parties are very unequally matched in respect of resources, leadership and staying power. The worst incidence of the strike will soon be felt by women and children, and the public cannot stand by while the combatants fight out the issue between them to a finish. There is another consideration!....."The Bombay mills are no longer

competitors with Lancashire but allies. They have just secured a heavy protective duty on the plea that they could not continue to exist without it. Government and the public have, therefore, a perfect right to insist that the sacrifice which the consumers are called upon to make in the interests of the industry should accrue in the first instance to the workers. Otherwise, the industry will exist by exploiting both the consumers and the workers, that is, the vast majority of the population; and the question must soon arise whether in such circumstances an industry is a benefit to the country. The movement of prices is not a true test of incidence on the workers' cost of living. It is notorious that the workers are all in debt and chronically so. A fall of prices does not reduce the amount of debt. Reduction of wages drives the worker deeper into debt."

Later Strike News. - On 30-4-34 the police arrested fourteen prominent strike leaders including Messrs. S.V.Deshpande, S.G. Patkar, and S.S.Mirajkar, under the Special Powers Act, 1932, which was primarily designed to deal with political movements. On the same day the Bombay Government issued a communique explaining their reasons for taking this step. According to the communique, the efforts of the Strike leaders to persuade the railway and tramway workers to join the May-Day demonstrations, ~~prompt~~ precipitated an emergency involving grave likelihood of disorder and so the removal of the leaders was necessitated. It says: "While Government have always been reluctant to use these powers in regard to labour disputes, they indicated to the Legislative Council at the time when the Act was passed that it might be necessary to use them to deal with persons actively furthering a Communist movement for the overthrow of the existing structure of society. These persons arrested are all professed communists and have been conducting this strike not with a view to a settlement but with the apparent object of spreading and intensifying disturbed conditions". ..... "Government desire to make it clear that no restriction has been placed on the functioning of Trade Unions and that these continue free to conduct the strike on behalf of workers who have grievances which they desire to have settled." (The Times of India, 1-5-34).

By the close of April, according to press reports, there had occurred a sharp cleavage in Bombay millowner's ranks over the strike question. One section wanted that the situation should not be allowed to go out of control and that some way should be found out of the impasse and to re-start mills, even going half-way to meet the workers on the wage cut issue. They state that a prolongation of the strike will bring about a shortage of stocks during the busy Diwali season. The other section advocates on grounds of prestige that there should be no yielding to the workers' demands. (The Hindu, 2-5-34).

Sporadic acts of violence, intense picketing and arrests have marked the progress of the strike during the first week of May. Messrs. N.M.Joshi, R.R.Bakhale and Syed Munawar are reported to be bringing about an amicable settlement. Mr. Joshi and his colleagues waited on the Governor of Bombay on 4-5-34 and

placed the labour point of view before him. They also indicated the lines along which a settlement was possible and advocated restoration of wage cuts, guarantees against victimisation of strikers and recognition of workers' unions. The Bombay corporation is also reported to be moving in the matter of bringing about an amicable settlement.

The general strike of Nagpur textile workers intended to be declared on 1-5-34 did not take place until 7-5-34. On 30-4-34 the Strike Committee of the Nagpur Textile Workers' Union made an appeal by telegram to the Governor of the Central Provinces urging him to redress their grievances, failing which 14,000 textile workers would go on strike. The workers affirmed that the agreement on the question of wages arrived at with the employers has been violated and prayed the Governor to intervene and obtain a decent living wage for them. Failing to obtain satisfaction, on 7-5-34, 7,000 textile workers went on strike.

(The Statesman, 8-5-34).

The strike in Delhi continues and the Government Industrial Surveyor is reported to be trying to bring about a settlement.

(The Times of India, 7-5-34).

Industrial OrganisationEmployers Organisations.The Annual Meeting of Federation of IndianChambers - Delhi - 1934.

The seventh annual meeting of the Federation of Indian Chambers of Commerce and Industry was held at Delhi on 31-3-34 and 1-4-34 under the presidentship of Mr. Nalini Ranjan Sarker. The Conference was well attended by representatives from all parts of the country and, in addition, by Sir Shanmukham Chetty, President, Legislative Assembly, and many European and Indian members of the Central Legislature. No Government member was, however, present. The following is a brief summary of the presidential address. (A copy of the Address has been sent to Geneva with this Office's minute D<sub>2</sub>/750/34 dated 12/4/34).

World Economic Situation.- The president prefaced his survey of Indian economic and industrial conditions by a brief sketch of the international conditions during 1933, in the course of which he deplored the "complete fiasco in which the World Economic Conference ended". "This", he said, "might be regarded as one of the major tragedies of the world's economic history in this period. Put side by side with the increasing disorganisation of the League of Nations, exemplified in the withdrawal of Japan and Germany from the League and the growth in the mutual hostility of the Powers, this tends to show that the world is again lapsing into the pre-War attitude of belligerent nationalism, this time rendered more threatening by its extension into the domain of economics and trade. The events of 1933 have clearly shown that the trend of economic thought and policy, towards intensification of economic rationalism, based on conscious planning."

Plea for Economic Nationalism. - Urging the need for the adoption in India of a policy of economic nationalism, Mr. Sarker said, "the gradual and almost universal emergence of a policy of economic nationalism need not be viewed with despair, provided it is not exaggerated by entirely non-economic considerations. As practical businessmen, we have to realise that the days of undiluted laissez faire are gone by for ever. Control of ~~economic affairs is now established facts, and needs to be the~~



of economic affairs is an established fact, and need not, in fact should not, be a serious matter. It is only necessary that such control should be informed, conscious and planned. It is, through the feverish efforts of the various countries to meet their own national difficulties, although not much concerned with what effect these may have on the rest of the world—that there have been noticeable some improvements in the general economic condition of the world."

Industrial Conditions in India. - Briefly surveying conditions in the more important Indian industries during the past year, Mr. Sarker said: "Against this background, no marked improvement was disclosed by conditions in India. In regard to industries, India provided by no means a parallel to the industrial countries of Europe and America. Such evidence as there is does not indicate that the industries showed any remarkable signs of expansion, with the possible exception of iron and steel, sugar and cement. The cotton mills industry showed no signs of progress; if anything it showed signs of stagnation, and a number of mills in the Western Presidency were compelled to close their doors. The jute industry also laboured under forced restriction of its total productive capacity although a welcome relief was provided by the increased off-take of hessian by the U.S.A., in the middle of the year, following the adoption of the recovery measures. Tea experienced a spurt in prices towards the end of the year owing to the prospects of the adoption of the restriction scheme, which was accepted by the Government of India, and given statutory effect in November last. Coal experienced a bleak year and deteriorated perhaps more than any other industry."

Trade Treaties: - Ottawa, Indo-Japanese & Mody-Clare Lees Agreements. - Referring to recent trade agreements, Mr. Sarker said: "It is only in the matter of foreign trade that India's position has showed some improvement, during the year. Although official circles are inclined to credit a part of it to the Ottawa Agreement, it is significant that such claims are very cautiously made. The figures of the year reveal, that India has not derived, official protestations to the contrary notwithstanding, any substantial benefit from the Agreement. It has only led to a diversion of trade and has not given any particular stimulus to India's exports to the Empire countries. Apart from the Ottawa Agreements, two other agreements were initiated during the year, —the Indo-Japanese Agreement and the Bombay-Lancashire Agreement. The former marks a welcome departure in the foreign trade policy of the country and provides the first instance of a commercial agreement negotiated directly between India and a foreign country. Although we cannot agree to the principle underlying it, namely, inducing other countries to take our raw materials by agreeing to take them back as finished goods, and must strongly disapprove of its extended application, we quite realise that under the extraordinary circumstances that prevailed it was perhaps inevitable. The Bombay-Lancashire Agreement lacks the seal of national approval. India has not

gained much from it. Whereas India has agreed to give a part of her market to Lancashire goods, Lancashire has given no undertaking to buy any raw cotton from us. You cannot call it a bilateral agreement, because Lancashire has not definitely agreed to do anything. All that she has done is to promise to do her best to encourage the use of Indian cotton, and that can hardly be called an adequate quid pro quo for valuable economic concessions.

Unemployment & Public Works. - Dealing with the disquieting unemployment situation in the country, Mr. Sarker urged that the Government should immediately initiate a policy of public works and said that progressive countries like the U.S.A., France, Italy and Sweden served as an object lesson to India. Referring to the seriousness of the situation, Mr. Sarker said: "It has been observed that the situation in India is not as serious as in America, and that, therefore, there is not a similar necessity for experimental measures. Neither have the Government any statistical data to establish the validity of this statement, nor have we the data to rebut it. No statistics of any kind are being compiled in this country in regard to the nature and extent of unemployment. But it would be perfectly true to say that as the unemployed are such a preponderating proportion of the population, it would be an easier task in the case of this country to compile employment statistics than the unemployment statistics compiled by other nations. Such figures, however meagre, would suffice to show that though no such serious situation has materialised in regard to unemployment among factory labourers—and industrialisation has made but little progress in the country—the number of educated young men of the middle classes, wandering aimlessly and helplessly in search of some opening in life, is markedly large, while under-employment among the agriculturists is admittedly considerable. If these men could be half so vocal as the masses in other climes, the Government would have long been forced to appraise the situation correctly. But to conclude from their apparent quietude that no such problem exists in India or that it is not half so serious, is absolutely unwarranted. The tragedy of the lives of the middle and lower classes beggar a description".

Need for Economic Planning. - Unemployment and other economic ills of the country could, in Mr. Sarker's opinion, be solved only by planned economic action. Stressing the need for such planned action, Mr. Sarker said: "There is a pronounced lack of equilibrium between agriculture, industry and other channels of economic activities. The development of urban and rural areas is characterised by a marked disparity. Low yield per acre, uneconomic fragmentations, inadequate irrigation and chronic indebtedness of peasants have made agriculture, the most important occupation of the country, an extremely unproductive and unprofitable industry. Industries are handicapped by insufficient capital resources, inefficient technical service and low quality of raw materials. The policy of discriminating protection has afforded many of them a small measure of security but unless it is supplemented by a readjustment of internal freight rates and the adoption of a more sympathetic store-

but unless it is supplemented by a readjustment of internal freight rates and the adoption of a more sympathetic stores purchase policy, their full development will always lag behind their potentialities. Banking is still undeveloped and its structure ill-balanced. A great part of the population and a large number of the smaller towns are still ill-provided with banking facilities." Concluding his plea for economic planning, Mr. Sarker pointed out that planned action on a wide and fruitful scale has been inaugurated in other countries like the U.S.A. and Italy and Russia and in Asiatic countries like Turkey and Japan. In Mr. Sarker's opinion the extreme type of state socialism and economic regimentation that have been enforced in Russia was unsuited to India.

The Political Outlook. - After reviewing at length the important economic activities of the country - agriculture, industry, trade (internal and external), transport, currency, exchange, banking and public finance - Mr. Sarker dealt with the political situation that has eventuated as the result of Mahatma Gandhi's abandonment of the mass civil disobedience programme. While admitting the collapse of the movement, he said that Government by their lack of vision and sympathy and the adoption of harsh and indefensible methods, may be adding fuel to the fire of national resentment, which might at any time blaze forth again into the terrible conflagration of revolution. He condemned the White Paper as unsatisfactory and said that it was characterised by a carefully concealed unwillingness to part with real power. Wherever there has been any concession of power it has been effectively nullified by artfully contrived checks and balances.

The Challenge of Communism. - Mr. Sarker closed with a note of warning on the danger of delayed action. He said "There is a limit to the sufferings that will be borne by even a traditionally patient people; and when their balance of mind has been upset by continued privations and their judgment warped by severe economic adversity, they may develop into the most fertile soil in which the violent and ruthless could sow the seeds of revolution. That is the lesson furnished by the history of countries like Russia, eighteenth century France, Post-War Germany and Post-War Italy. Revolutionary movements thrive with the development of a revolutionary situation, and bankruptcy of statesmanship has invariably led up to such a situation. The flamboyant appeal of the revolutionary must be opposed not by a negative attitude, but by constructive proposals which will appeal to the reason and intelligence of the nation by diminishing its sufferings.

The following are the more important of the resolutions

passed at the Session:

Indo-Japanese Trade Agreement. - (i) The Federation places on record its appreciation of the services of the Indian Delegation and the unofficial advisers in successfully concluding the Indo-Japanese Trade Agreement after arduous negotiations and under the most delicate and difficult circumstances.

(ii) The Federation also places on record its appreciation of the services rendered by its representatives and expresses its gratification at the complete support accorded by the representatives of the Associated Chambers of Commerce to the proposals made by the representatives of the Federation for the protection of Indian Industries.

(iii) The Federation while appreciating that an opportunity was given to the Government of India for direct negotiation with a foreign government ~~regard~~ regrets to note that though the terms of the Agreement were settled in Delhi between the Indian and Japanese Delegations the Agreement itself has to be signed in London.

(iv) In regard to the terms of the Agreement the Federation is of opinion that in effect they impose a check on the full and free development of the Indian cotton textile industry and involve the recognition of certain principles and methods which are prejudicial to the industrial and commercial interests of India, in as much as the Agreement entails, among others, (a) an arrangement for basing the import of manufactured goods into India in return for the exports of raw materials from which the manufactured goods so imported could be made within the country itself (b) an evaluation of the reciprocity of interests in regard to specific commodities exchanged between India and Japan under varying degrees of necessity rather than in the accordance with the more equitable and scientific criterion of the total advantages obtained by the two countries from the entire extent of their mutual trade relations.

(v) The Federation recommends to the Government that in any future trade negotiations this country should not be committed to import manufactured goods in return for the advantage of exporting raw materials from this country, particularly such manufactured goods as can be made in this country from the very materials that are so exported.

(vi) The Federation approves of the provisions made in the Agreement to reconcile the operation of the "Most Favoured-Nation" clause with the exigencies of ordinary foreign exchange situations that have developed in recent times and the necessity of protecting Indian industries therefrom.

(vii) The Federation recommends to the Government that in view of the serious economic disadvantage arising out of the preponderating dependence of India upon certain foreign countries

as outlets for the exports of her raw materials and the severe handicap it places upon the country in her negotiations with other countries, immediate efforts be made to remedy the same, and steps be taken to encourage the larger use of Indian raw cotton in India itself and the more extensive cultivation of suitable and necessary variety of long staple cotton.

(viii) The Federation, while appreciating the fact that Indian cotton mills are the largest buyers of Indian raw cotton, requests them to take steps in order to ensure the use of even greater quantities with a view to reduce the dependence upon foreign markets.

(ix) The Federation urges upon the Government of India to take effective steps to safeguard the interests of non-Japanese shippers of cotton from India to Japan and of non-Japanese exporters of piecegoods from Japan to India as serious and grave complaints are being received regarding the control of the export and import trade between India and Japan in cotton and piecegoods which is not in conformity with the spirit of the Indo-Japanese Trade Agreement.

Protection to Small Industries. - (i) The Federation is of opinion that whereas the new specific & duties introduced as a result of the Agreement with Japan would afford some relief to the numerous struggling smaller industries of India, they do not ensure to them adequate protection against Japanese competition

(ii) The Federation draws the immediate attention of the Government of India to the difficult condition of small industries in India and is of opinion that the new duties are not adequate and effective in the case of a number of industries like hosiery, glass, enamelware, starch etc., especially in view of the fact that these industries are comparatively in nascent condition and have still to acquire financial strength and technical perfection to meet foreign competition.

(iii) The Federation urges upon the Government the fact that many of the aforementioned industries deserve substantial protection to foster their growth and development in India, and suggests that the relief given to these by the emergency measures provided for by the recent Tariff Act should be replaced by an adequate measure of protection.

Economic Planning. - The Federation regrets to note that in spite of nearly four years of economic depression the Government of India have not yet undertaken any measures calculated to help economic recuperation and to relieve the widespread economic distress among the people, particularly among the masses, and strongly urges the Government to direct their immediate attention to this matter and to concert necessary measures in consultation with representatives of commercial interests.

The Federation is further convinced that any measure for

economic recovery to be really and effectively successful must be based on a definite plan and have as its object the raising of commodity prices, particularly of primary products, and for that purpose the Federation would strongly urge upon the Government the adoption of a bold reflationary policy by undertaking a scheme of public works expenditure specially in rural areas and by actively assisting, and affording all possible support to, a comprehensive scheme calculated to increase all round productivity of the country instead of merely waiting for improvement in the world economic situation.

The Federation is further of opinion that the Government of India should proceed on a systematic and scientific investigation of all the material resources of the country with a view to chalk out a plan for the achievement of the goal outlined in the preceding paragraph.

Statutory Railway Board. - This Federation, while not agreeing that a Statutory Railway Authority should form an essential feature of the future constitutional reforms, is of the opinion that, should such an institution be considered necessary, the Indian Legislature alone should have unfettered authority and discretion to devise suitable machinery for the proper administration of the Indian railways delegating to it such functions and powers as may be deemed necessary and that the rights of the Indian Legislature should be in no way restricted by the Constitution Act in regard to the policy, finance and administration of Indian railways.

Railway Freight on Coals. - The Federation notes with regret that inspite of repeated representations from several bodies representing the interests of producers as well as consumers, practically no action has been taken by the Government for helping the Coal Industry. This Federation is of opinion that the Coal Industry is in urgent need of immediate attention and therefore urges the Government to take proper steps to help the Industry by withdrawing the Surcharge on coal freight and also adopting the restriction scheme put forward by the Industry to rehabilitate it.

Resolutions were also passed ~~for~~ protesting against (1) Government inaction in respect of checking continued outflow of Indian gold, (2) the Government's silver sales, (3) the abolition of the export duty on raw hides and (4) the proposed Sugar Excise Duty Bill.

(Summarised from the Presidential Address and Text of Resolutions sent to the Office by the Secretary of the Federation)

Office Bearers for 1934-35 - The following have been elected

Office-bearers for 1934-35:

President: Mr. Kasturbhai Lalbhai, Members of the Executive Committee: Messrs. N.R.Sarker, Shriram, G.D.Birla, Pushothamdas Thakurdas, Walchand Hirachand, Chunilal Girdharilal, Mathuradas Vasanji, Shivgattan Mohatta, A.H.Shroff, P.S.Sodhbans, Padampat Singhania and Vidyasagar Pandya.

(The Hindu, 2-4-34)

( A review of the annual meeting of the Federation of Indian Chambers of Commerce and Industry, held in 1933 was given at pages 24-28 of our April 1933 report).

All-India Organisation of Industrial Employers:  
1st Annual Meeting, Delhi - 1934.

Reference was made at pages 48-49 of our December 1932 report to the establishment of a central organisation of industrial employers in India called the "All India Organisation of Indian Employers" under the auspices of the Federation of Indian Chambers of Industries and Commerce. The first annual meeting of the Organisation was held at Delhi on 1-4-34 under the presidentship of Mr. Walchand Hirachand, who, it will be remembered, was the Indian Employers' Delegate to the 15th I.L.Conference. The following is a summary of the presidential address:-

Objects of the Organisation: (1) Direction of India's Trade. - Mr. Hirachand prefaced his address by explaining the objects with which the Organisation was called into being. He said: "If India lacks anything at the present day, it is not only the existence of the national government at the head-quarters, but also a co-ordination among the industries themselves. The former is a state of things which it may not be possible for the country to change but I believe if all the important industries in the country seriously consider the question of greater co-ordination among themselves, they will smoothen the way towards the greater industrialisation of the country. The A.O.I.E., which is only an humble beginning in that direction, will be a centre of co-ordination for all the main industries of India".

(2) Consideration of I.L.Conventions from Industrialists' View-Point. - "The need for such a central organization will be felt all over India, the more our industrial employers interest themselves in the activities of the International Labour Organisation at Geneva. That International Body, through its working in the last 17 Conferences, has been responsible in a major degree for the introduction of several legislative measures adopted by important industrial countries towards the amelioration of conditions of labouring classes engaged in industrial occupations. The International Labour Organisation, in all its deliberations at the several Conferences has, it seems to me, lost sight of one important principle in all the conventions or recommendations adopted at its Conferences and it is this that all countries, whether they are highly industrialised or not, cannot be treated on the same level. It is said and with



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some justification that it is the deliberate intention of the International Labour Organisation to equalise conditions of employment for industrial labour in all countries with a view to offer an indirect advantage to such of them as are highly industrialised. The effect of the working of the Organisation during the last 15 years has been, ~~that~~, that in some of the countries where ~~the~~ industries have just begun to spring up, the decisions of the Labour Organisation when adopted by the Governments of such countries have tended to retard the development of industries in those countries. In a country like India, ~~the~~ industrial employers here have not yet realised seriously the effects of labour legislation on I.L.O. lines on the growth of indigenous industries, and it is high time they took greater interest in the working of the Labour Organisation at Geneva with a view to safeguard adequately their interests and to see that the country does not suffer in its programme of industrialisation ~~X~~ by the adoption of legislative measures agreed at Geneva without any consideration for the countries which are just developing their industries."

Plea for Advisers to Non-Government Delegates to I.L. Conference. \* As regards non-government delegations to I.L. Conferences from India Mr. Hirachand said: "With regard to the deliberations of Labour Conferences at Geneva, I cannot help remarking that if the Government of India really want Indian industrial employers to take ~~up~~ them seriously, Government should see that adequate provision is made for giving sufficient assistance to the non-official delegations at these Conferences by nominating Advisers to the Delegates. From my personal experience, I can say that if the Delegate is left to himself without any proper assistance from the Advisers, it is impossible to expect him to attend simultaneously the various Sub-Committees through which the major portion of the work of the Conference is handled and where he or his nominee must necessarily be present to put forward India's point of view on the several important subjects that come up for consideration at the Conference."

Plea for a Definite Policy of Industrialisation. - Dealing with Indian industrial conditions, Mr. Hirachand, while congratulating the government on bringing about the Indo-Japanese Trade Agreement, deplored the absence of a definite government policy of industrialisation of the country. He deprecated the haphazard manner in which protection is accorded to certain industries which ~~protection in manner in manner was evidence of such a lack of policy.~~ He declared that with the material available in the country, the government should be in a position to decide which of the main industries in the country are likely to develop with a view to supply the requirements of the country and should then lay down a policy of protection for the purpose of developing those industries to enable the country to be at least self-sufficient to begin with. For this purpose the present Tariff Board should be made a permanent Body. Mr. Hirachand criticised the Government for the manner in which they treated the Tariff Board's latest report on the Indian cotton mill industry and said: "Although the Government were in possession of the report

by the Tariff Board on the Textile industry since November 1932 and important developments in connection with Indo-Japanese trade negotiations were taking place as also with the Lancashire delegation, the public, whether they were industrialists concerned or consumers, were kept in the dark about the findings of the Tariff Board for more than a year; as if this was not sufficient, the Government have not only rejected some of the recommendations of the Tariff Board but have gone against them in putting forward their proposals for protecting the textile industry. In some aspects these proposals vary from those recommended by the Tariff Board. The result of such an attitude of ~~Government~~ has been what one sees in Bombay, where mill after mill has to be closed down dismissing their labour and selling their machinery to be broken and sold as scrap.

"More effective and suitable machinery is required if Government intend to industrialise the country. The very fact that the subject, Development of Industries, is a provincial one, speaks volumes against the indifference with which the Central Government are treating this subject. There should be co-ordination of efforts towards the development of indigenous industries and such efforts should emanate from the Central Government rather than each province being allowed to have its own policy. The idea of holding an Industries Conference last year in Simla would have been, no doubt, a right move if the prominent industrialists in the country had been associated with that Conference with a view to strike an entirely new policy of co-ordinating all the efforts that the Provincial Governments are making in their respective provinces for the development of industries."

Office-Bearers for 1934-35. - The following office-bearers were elected by the meetings:-

President: Mr. Kasturbhai Lalbhai, Members of the Committee: Mr. Padampat Singhania (representing sugar manufacture), Mr. Walchand Hirachand (shipping), Mr. I.D.Varshanie (glass), Mr. Hooseinbhoj A.Lalljee (salt), Mr. A.L.Ojha (coal/mining), Mr. Adamjee Hajee Dawood (jute), Mr. Rajratna Seth Chimmalal Girdhari-lal (textile interests, Baroda), Mr. Jamal Mohammad (tanning), Mr. Shri Ram (textile interests, Northern India), Mr. G.D.Birla (Vice President, representing general industrial interests), the Hon'ble Ramsaran Das (general industrial interests), Mr. Jadunath Roy, Mr. Mathradas Vissanji and Mr. Nalini Hanjan Sarker (representing general industrial interests).

Employers' Federation of India:1st Annual Meeting, New Delhi, 1934.

Reference was made at pages 24-25 of our May 1933 report to the establishment of an organisation of industrial employers of India called the "Employers' Federation of India" under the joint auspices of the Millowners' Association, Bombay, and the Associated Chambers of Commerce of India, Calcutta. The first annual meeting of the Federation was held at New Delhi on 7-4-34 under the Chairmanship of Mr. H.P.Mody, the President of the Federation. The following is a summary of Mr. Mody's presidential speech.

Policy of the Federation. - Regarding the objects for which the Federation was created and its policy on labour matters, Mr. Mody said: "For years I have held that the industrialists of India needed to organise themselves, if the vast interests which they represent are to be adequately safeguarded. Questions connected with labour legislation and labour conditions, tariffs, taxation, trade agreements and the like offer an enormous field for the activities of a body whose primary aim must be the maintenance of conditions which would ensure the rapid and healthy development of industries in this country. The next few years will see, besides, a considerable growth of class consciousness. Agitation for the rights of Labour will assume new shapes and directions, and as is inevitable, extravagant demands will be made both on the State and on the Employer. It must be the business of an organisation like ours to face the situation in a spirit of sympathetic understanding, and with a due regard to the interests of both sections. It will be still more our duty to fight those destructive tendencies which are often associated with movements for the uplift of Labour, and which are to be particularly feared in the peculiar conditions of India, where the Labour movement is largely directed by men who do not belong to the working classes, and whose outlook is, therefore, apt to be divorced from hard realities. To the extent to which we are able to defeat all subversive tendencies and range ourselves on the side of reasonable demands - reasonable alike from the point of view of capital and of Labour - shall our existence be justified."

54-Hours Week in Industry. - On the question of the provision of a 54-hours week for industrial labour, Mr. Mody said that though the member-bodies of the Federation ~~was~~ opposed to the principle, he advised them to agree to the proposal in order to show the goodwill of the employers towards labour, and, at the

same time, <sup>he</sup> emphasised the further handicap to industrial development in the country, involved in the proposal since it would raise costs of production. In this connection Mr. Mody drew the attention of the meeting to the low level of labour protection obtaining in Indian States and explained how this diversity in labour regulations was affecting British India adversely. He said: "Already, the tendency is observable of industries seeking a habitat in the territories of the Indian Princes, and if certain standards of labour are to be enforced in British India, means must be found to prevent the Indian States from offering any inducements in the way of abnormally low labour costs. It is bad enough to have to face external competition on unequal terms; it would be intolerable if unfair internal competition were allowed still further to handicap Indian industries. Under the White Paper Proposals, all that the States have to do is to refuse to accept labour legislation as a federal subject in order to retain the freedom which they now enjoy in such matters. That is an impossible position, and we must lose no opportunity of fighting it."

Nomination of Employers' Delegate to the 18th I.L. Conference. - Regarding the Federation's recommendation for the nomination of the Indian Employers' Delegate to the 18th I.L. Conference, Mr. Mody said: "In my capacity as your President, I recommended to the Government of India, in agreement with the All India Organisation of Industrial Employers, the appointment of Seth Kasturbhai Lalbhai, and I am glad to see he has been duly nominated. Our views with regard to some of the problems with which the forthcoming Conference will have to deal have been communicated to him, and I am sure he will adequately represent the point of view of employers at the Conference."

Plea for Planned Economy. - Referring to the speech of Mr. P.E. James in the Legislative Assembly on 8-3-1934 regarding the adoption of a scheme of "planned economy" for India (vide pages 31-36 of our March 1934 report for a summary of Mr. James' speech), Mr. Mody said: "It "Planned Economy" is all-embracing term, which from the way it has been interpreted would seem to cover a multitude of ideas, many of them of the vaguest character and doubtful utility. There is one thing, however, on which every one seems to be agreed, and that is that the present haphazard economic policy has got to give place to a system of planning which would take account of the potentialities and special needs of India, with particular reference to world developments, and which would create the necessary machinery for facilitating a rapid but judicious development of the agricultural and industrial resources of the country. I deprecate all ambitious ideas and programmes in this connection; I distrust high-sounding phrases. What is really required is that some machinery must be created which would give direction and impetus to the scattered forces of Indian trade and industry. He suggested as initial measures the compilation of statistics regarding production cost and market price of agricultural commodities, an enquiry into the incidence of land revenue and agricultural indebtedness, the conversion of the present Tariff Board into

a permanent body, the appointment of an Economic Adviser to give expert guidance to the Government and the enlargement of the Governor-General's Executive Council and a reshuffling of portfolios of the Members.

Labour Legislation Under the Future Constitution. - Regarding labour legislation under the future constitution of India, Mr. Mody said: "The provisions with regard to Labour legislation sketched in the White Paper constitute another matter of importance to industrial interests. It is proposed that the Provinces should have concurrent jurisdiction with the Central Government in certain defined subjects of importance. This is bound to produce considerable inequalities between the various provinces, and it is easy to imagine certain industrial centres being subjected to further handicaps. The problem is still wrapped up in some obscurity, and it is possible that when the Joint Select Committee has finished its deliberations, we may obtain a clearer idea of what is intended. In the meantime, I find it necessary to sound a note of warning against creating conditions under which it may be possible for certain provinces to be subjected to the most advanced labour legislation and for others to have the pace actually retarded so that capital and enterprise may be tempted to gravitate towards them."

(Summarised from the text of the speech communicated to this Office.)

Indian National Committee of International

Chamber of Commerce: 5th Annual Meeting — Delhi, 1934.

The 5th annual meeting of the Indian National Committee of the International Chamber of Commerce was held at Delhi on 1-4-34 under the presidentship of Lala Shri Ram. The following is a brief summary of the presidential address.

The World Economic Conference: The greatest international event during the year under review has been the World Economic Conference, which was held in London in the month of June last. Before the Conference was actually held there was great jubilation in all the countries. Though the idea of the Conference was conceived with most laudable objects, it was found, from the very beginning, that the difficulties were very great and that beneath the surface, the necessary confidence and preparedness to face realities were lacking. The only practical outcome of the same has been the intensification of economic nationalism.

Plan for Raising Price Levels. - The solution for the present economic crisis lies in bringing about a rise in commodity prices and this is being attempted in the U.S.A. by President Roosevelt. In India, to save the farmer from the effects of the very low prices some time back, the Government had to pass the Wheat Import Duty Bill, and now there is a similar demand from the growers of rice. During the current session of the Assembly the Government have introduced a bill with the ostensible object of ensuring better prices for sugarcane to the grower. What is required is not stray legislation but a definite policy on the part of the Government having for its object the improvement of price levels.

Indian industrialists have been advocating for sometime past devaluation of the rupee in order to raise the price levels of commodities, but Government have not acceded to this demand. The Government contend that the rupee being linked to sterling, the extent of the depreciation that has taken place in the sterling has naturally taken place in the rupee also. It should be pointed out that the present arrangement overlooks the fact that when the rupee was stabilised in 1927 it was very much over valued and that the price of primary commodities has fallen to a greater extent than that of manufactured articles.

Overflow of Gold from India. - A few years ago, economists, particularly in Britain, traced the origin of the present world crisis to maldistribution of gold. Although this argument is no longer advanced, it is worthwhile to remember that the same evil of maldistribution is being continued today. At that time it was America and France that took possession of a large portion

the world's stock of gold. Now it is America and Britain. Week after week, gold from the different countries of the world is brought to London to be hoarded. There is no government in the world, except the Government of India, which is indifferent to the possession of actual gold. Since September 1931 gold to the value of Rs.1,740 millions has left the shores of India in spite of the fact that India has no corresponding foreign obligations.

Mr. Shri Ram also deplored the temporary break-down of the Disarmament Conference and condemned the very high military budget of the Government of India.

Office-bearers for 1934-35. - The following Office-bearers have been elected for the year 1934-35:

President: Mr. Hesseinbhoj A.Laljee; Vice-President: Mr. Padampat Singhanja; Members of the Executive Committee: Sir Purshottandas Thakurdas, Messrs. G.D.Birla, Kasturbhai Lalbhai, N.R.Sarker, D. P. Khaitan, Amrit Lal Ojha, C.B. Mehta, Firjee Cowasji, Mathurdas Vissanji, Mahomed Ismail, P.S.Sodhbans and Shriram,

(Summarised from copy of Presidential Address forwarded to this Office and from the Hindu, 2-4-34).

Coal Output Restriction Scheme: Government Reject Proposal.

References were made at pages 46(a) to 46(c) of our October 1933 report and at page 56 of our November 1933 report to the crisis through which the coal industry in Bengal and Bihar and Orissa is passing and to the scheme sponsored by the Indian Mining Association for compulsory restriction of coal output. (The salient features of the scheme are given at pages 59-62 of our January 1934 report). It is now understood that the Government of India have turned down the scheme of the Indian Mining Association, although the present unsatisfactory position of the industry is fully recognised. The following is a summary of the Government's letter, rejecting the proposed scheme, addressed to the Secretary, Indian Mining Association, Calcutta.

Lack of Unity in the Industry. - The Government of India observe that the coal industry itself is by no means united in support of the scheme. A representation has been received from the Indian Mining Federation which shows that the Federation, while favouring the principle of restriction, declines to accept clauses 2 and 8 in the scheme propounded by the Indian Mining Association (vide pages 59-62 of our January 1934 report). Moreover, there is substantial opposition from certain Colliery owners in the Central Provinces, who feel that the scheme will operate unfairly against partly developed properties. Further, the scheme does not extend to the Indian States which produce coal. This lack of unity presents a serious obstacle to the further consideration of any scheme; and the Government of India need not stress the desirability of securing agreement within the industry. But, as they recognize that the position of the industry is far from satisfactory, they have given their full consideration to the different proposals submitted to them.

Immediate Legislation not Possible. - The Government cannot take any immediate action of the kind suggested by the Mining Association. The Association suggested the issue of an "ordinance" similar to the one issued under the Sea Customs Act in the case of the tea industry, by which is presumably meant the notification issued under that Act relating to exports of tea. The Indian Railways Act confers no power on the Government of India to issue ordinances or any form of order or notification of the character suggested. Moreover, in the scheme submitted by the Association



it is proposed that all expenses in connection with the working of the scheme should be met from funds at the disposal of the Coal Grading Board. The Coal Grading Board was established in order to stimulate the export of Indian coal to foreign markets and the Government of India could not ask the legislature to agree that its funds should be diverted to an entirely different purpose in the manner proposed.

Need for Protection of Consumers' Interests. - There is a passing reference in that letter of the Association to the protection of the interests of consumers, but there is no indication that the importance of this question has been adequately recognised by the framers of the scheme. The Association may have been misled into supposing that there is a parallel between the action taken in the case of the tea industry and the action which the Association now desires. But the tea control scheme at present in operation is directed towards the control of exports to foreign countries; and even if this were not the case there is a fundamental difference between the two industries. Movements in the price of tea affect only the private consumer, and he is in a position, if necessary, to discontinue its use. But coal is a commodity the supply of which is vital to the economic structure of the country, and alterations in its supply and price have immediate repercussions on every industry of importance.

Demand not supported by Statistical Proofs. - The Government of India are not in a position to consult local Governments and the other interests likely to be affected on the present question, until they are in possession of material sufficient to enable those consulted to reach a considered conclusion on the question at issue. The Association's letter refers in general terms to an uneconomic level of prices, to the cost of production, to the fall in prices, to continued depression etc., but it does not contain single figure or precise statement of fact. No indication is offered of the extent of the fall in prices, of the cost of production, or even of the prices which the industry regards as economic and which, presumably, the scheme is designed to secure. No industry can claim statutory protection at the public expense which is not prepared to prove its claim by the production of proper statistical material. At the present time especially, when many industries are facing serious difficulties, it is necessary to establish a very strong case in order to justify legislative assistance in securing an increase in the price of coal.

Other reasons. - A second serious defect in the schemes submitted is the absence of any protection for the other interests concerned. The associations which favour restriction differ regarding the constitution of the Committee which is to administer the scheme, but they agree in proposing that Government should invest complete control (including the power to regulate production) in a Committee which is to consist, except for an official chairman, exclusively of persons representing the coal industry. As has already been observed, no indication is given of what would constitute a

reasonable price for coal and no guarantee is offered that the output will bear any relation to that price. If the community is to be asked to place a weapon in the hands of coal producers which can be used against itself it seems to the Government of India essential that there should be ample safeguards against its misuse.

Position of Railway Collieries. - The railway collieries do not produce any coal for public sale therefore these should not be included in any scheme of restriction. In the interests of private producers of coal, their output has been reduced already to an extent fully equivalent to the degree of reduction suggested by the Association, and, while the Government of India have no present intention of altering their policy in the matter of coal purchases for the railways, they consider it important to retain liberty of action in this matter.

The Government have finally undertaken to place the issues before the Local Governments and the interests concerned if sufficient statistical and other material are furnished by the Association.

(Summarised from letter No.M-76 dated 21-3-34 addressed to the Secretary, Indian Mining Association, Calcutta, by the Government of India (Dept. of Industries and Labour).)

#### The Jute Industry.

The industry has been hit harder by the slump and the concomitant evils of overproduction and restricted markets than the jute industry. The main threats to the industry fall into two classes. One is the decreasing use of jute containers for goods. These may be stored without containers of any kind (in the case of grain in elevators) and, similarly, they may be loaded on freight wagons or on ships without containers or they may be packed in some substitute for the familiar jute bag or sacking. It is evident that the question of price has relevance to the spread of the use of substitutes, though there is also the allegation that jute is in itself an unsuitable container for cotton. The other menace is the serious competition of foreign jute manufacturers. It is said that in recent years many mills have sprung up in Central and South-Eastern Europe and in Japan, for example. These mills have more modern machinery than the Bengal mills, they are hampered by no restriction scheme of their own and they profit in two ways from the Indian restriction scheme. This scheme tends to keep up the

price of Calcutta's manufactured jute exports and therefore to facilitate the foreign millowners in the task of underselling Calcutta. And secondly, the Indian restriction scheme is of the one-legged variety only. There is a restriction on output of manufacturers but there is none on the growth of the crop. The cultivators grow freely; the Bengal mills, governed by their own restriction scheme, cannot take more than a certain percentage and the rest is flung at the heads of the foreign millowners. It must be sold for what it will fetch and the export tax is of little avail in keeping up the price when there is a glut. Theoretically, in the case of a monopoly, the foreigner pays the tax but when Bengal's jute growers are unorganised and have to compete against one another to get rid of their crop in foreign markets, the export tax does not inconvenience the foreigner very much. Japan has no more difficulty in manufacturing Indian jute and underselling Bengal than she has in manufacturing Indian cotton and underselling Bombay. Moreover, although it is recognised by Bengal manufacturers that unregulated growth of jute is an evil both for the cultivator and, in the long run, for the industry itself and tends to make it the unhappy hunting ground of speculators, in practice, the manufacturer is often not averse to a situation the immediate result of which is that he gets his raw material cheap. In so far, therefore, as he does nothing to promote a crop restriction scheme, he may be said to be the aider and abettor of his foreign competitor who fights him with all his looms and not with a percentage only.

Evidence that brighter days lie ahead is contained in the announcement that the Jute Mills Association has decided to release from seal and put into operation from November next  $2\frac{1}{2}$  per cent of the total complement of looms at present lying idle as the result of the Association's effort to restrict output. Trade prospects are perceptibly brighter at present than they have been for a long time and stocks have been gradually depleted, and the general trade outlook warrants, in the opinion of the Association, sober confidence in the future and the removal of some of the restrictions voluntarily shouldered by its members during the leanest days of the slump.

The slump has taught the industry the value of self-help. A year ago the Jute Mills Association appointed a sub-Committee to investigate the general position and to advise measures to counter foreign competition and to regain old and to capture new markets. The sub-committee's report, which has been accepted by the Committee of the Association, recommends the employment of a representative each in Europe, in Australia and the Far East, and in America, to keep in touch with consumers and to push the sale of jute goods. Dr. S.G. Barker, the Director of Research of the Wool Industry Research Association, Leeds, is to be invited to visit India in the near future to study the position on the spot and formulate a research scheme to suit the industry's requirements. To supply the finance for this project the mills are asked to contribute Rs.4 per loom, a levy which will yield over Rs.225,000, sufficient to finance the scheme for a period long enough to test its value.

(The Statesman, 29-4-1934)

Economic Survey of India: Report of Bowley Committee Published.

Reference was made at pages 50-52 of our November 1933 report to the decision of the Government of India to invite Dr. A.L. Bowley and Mr. D.H. Robertson to undertake an economic survey of India. (For terms of reference, vide pages 64-65 of our report for January 1934). In the course of their investigations, the experts visited Madras, Nagpur, Calcutta, Dacca, Darjeeling, Patna, Benares, Cawnpore, Lucknow, Allahabad, Agra, Aligarh, Lahore, Bombay, Poona, Ahmedabad and Baroda, and also visited several typical villages. The report of the Committee was released for publication on 9-4-1934. (A copy of the report was forwarded to Geneva with this Office's minute No. A.1/851/34, dated the 19th April 1934).

Monthly Survey of Business Conditions in India<sup>†</sup> A New  
Periodical issued by Government.

The Government of India have lately sanctioned the creation of a new Branch under the Department of Commercial Intelligence and Statistics to do research work on economic problems in which Government is interested. One of the functions of this Branch is to prepare a Monthly Survey of Business Conditions in the Country. The first four numbers of this Survey pertaining to the months of September to December 1933 has recently been published by the Director General of Commercial Intelligence and Statistics.

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\*Monthly Survey of Business Conditions in India, September-December 1933, Volume I, Numbers 1-4. Department of Commercial Intelligence and Statistics, India. New Delhi: Printed by the Manager Government of India Press: 1934. pp. 129.

The Survey consists of two parts, the first giving the necessary general statistical data dealing with production, trade and financial conditions and the second consisting of separate notes dealing with the various economic activities of the country and describing the economic conditions of the month. The data available for the first number are far from complete as the Research Branch started work only in August last and had not sufficient time to collect all the necessary material. It was, however, thought advisable to issue the first number with the available material, incomplete as it may be, rather than delay publication to complete the data. It is stated that as soon as more data become available the necessary additions and changes will be made in the Survey.

Measures to Alleviate Rural Indebtedness

in India: Provincial Economic Conference, April 1934, New Delhi.

~~It will be remembered that,~~ In the course of his budget speech on 27-2-1934, Sir George Smeaton made the following statement in the Legislative Assembly regarding the incidence of rural indebtedness in the country and the Government's plans for alleviating it:

"We have throughout watched the economic situation, carefully in close consultation with Provincial Governments, and we have now with the cordial approval of these Governments arranged to have a conference early in April at which we can together review the whole situation and consider this problem of indebtedness together with all possible lines of concerted action to improve the general economic situation. The problem of indebtedness is one of immense difficulty and has many reactions, and I may say that our present view is that a solution is not likely to be found by any heroic attempts to equip India in the midst of this crisis with some entirely new credit system different to that which has grown up as a result of centuries of experience. It needs

sympathetic but cautious handling and the cooperation of all concerned."

The Conference announced by Sir George Schuster in the above speech was held from 3 to <sup>6</sup>4-34 at New Delhi at which all the provinces were fully represented. The agenda of the Conference included question relating to the need for reducing rural indebtedness, examination of debt conciliation schemes, ~~consideration of debt conciliation~~ <sup>the possibility</sup> of the ~~possibility~~ for improving the financing of cultivation, examination of road development possibilities and irrigation projects, consideration of industrial development and the desirability of forming a Central Research Committee. On 4-5-34 the Government of India published the conclusions arrived at the Provincial Economic Conference, in the form of a resolution, a summary of which is given below.

Rural Indebtedness. - The first subject which came before the conference was that of agricultural indebtedness. Even before the present economic depression, the extent of agricultural indebtedness was recognised as one of the greatest problems with which India was confronted, and it has obviously acquired a new intensity and significance as a result of the fall in prices. This has been recognised by all provincial Governments, and in several provinces legislation has been passed or is under consideration dealing with various aspects of the problem. The primary object of the conference in this matter was to provide an opportunity for an exchange of ideas between provinces and to obtain impressions in the light of the most recent information and experience both as to the prevailing conditions and as to the practical results of such measures as have been already adopted. These discussions proved to be of great value; but it must be emphasised that they are to be regarded only as a preliminary review conducted for the purpose of elucidating lines for further enquiry and action.

The problem was considered in all its aspects, first, the problem of existing indebtedness and the possibility of scaling down debts, secondly, the problem of finance in connection with such schemes and thirdly, the problem of providing suitable credit machinery for the future and restricting usurious practices. In connection with the second and third problems consideration was given to the possibility of establishing land mortgage banks and to the functions of the agricultural credit

department of the Reserve Bank.

The general view of the conference was that the diversity of the conditions of the agricultural classes in India was so great, both in respect of land tenures and general economic status, that any legislative measures to afford relief must be primarily provincial; but that, at the same time, it was highly desirable that the various local Governments should know what other local Governments were doing to meet the situation and that there should be a regular exchange of information on this matter. The Government of India are considering the procedure most likely to affect this purpose in an expeditious manner.

Land Mortgage Banks. - Similar reasons weighed with the conference in their decision that the responsibility for policy in establishing land mortgage banks must rest with the Provincial Governments. During the past two sessions, a great deal has been heard in the Legislative Assembly about such banks, to which members attach importance, but the Delhi conference clearly had doubts, for the security such banks must hold is land and, in the final resort, it must be possible to realize that security. Increased facilities for alienating land, however, opens up more dangerous possibilities than it provides against. Nevertheless, the Reserve Bank will assist such projects with advice, just as it will cooperate with all agencies handling rural credit and, for the purpose of reporting on this part of the Bank's operations, the Government of India have appointed an experienced officer.

On the whole question of agricultural indebtedness, the general conclusion of the conference was that while measures for dealing with debts, in the forms of special legislation or otherwise varying with the needs and the conditions of each province might be necessary, such measures were essentially temporary expedients and palliatives, and that in the absence of changes either in the mental outlook of the agriculturist or in his economic opportunities, they were likely to result merely in fresh debts being incurred from the original creditors, so that the position would speedily revert to its original state. Such measures, therefore, if they are to serve a really useful purpose, must be supplemented by constructive action of a more permanent character, embodying a policy of economic and social development. This obviously raised very wide issues. It was not possible within the time available fully to explore all these aspects of the question (especially such important points as the part that education and rural betterment schemes should play in modifying the economic outlook of the ryot), but the discussions served to clear the ground and indicate possible methods by which the various problems could be more fully examined.

Capital Programme. - As a means of improving the economic equipment of the country, and incidentally of increasing purchasing power by distributing employment during this period of depression, the conference also considered the scope for central expenditure on public works of various kinds. The present occasion is particularly opportune for such a policy. A general review was

accordingly undertaken of the possibilities in this direction. The review covered a wide field: irrigation, both by canals and tube wells, the reclamation of water-logged areas, and the prospects of electric power schemes in various provinces were discussed and the results compared. Particular attention was directed to road development and the view was generally accepted that if, in the terms of the Road Resolution, which has now been sanctioned by the Central Legislature, the grants to provinces from the Road Fund can be utilised for the service of loans raised for the construction of roads and for the maintenance of roads so constructed, this will be a great inducement for the provincial Governments to put forward comprehensive plans. It was recognised that the main initiative in the matter of capital expenditure must come from the provinces because most schemes will be in respect of provincial subjects, and provincial Governments have been asked to supply, as early as possible, forecasts of those schemes which they consider will be in a broad sense productive. The present juncture, when there are signs that the weakening processes of increasing economic depression have been checked, may provide an opportunity when a comparatively small stimulus in the form of capital expenditure by Government might, by increasing employment and consequently consumption, have far-reaching effects.

The Conference also discussed the following questions: (1) methods of improving marketing of agricultural produce, (2) crop planning, (3) appointment of trade commissioners in foreign countries and (4) industrial research. The full text of the resolution of the Government of India on the subject is published at pages 488-494 of Part I of the Gazette of India dated 5-5-34.

It is understood that the Government of India are arranging two important conferences in Simla, one in the second week of May and the other in the second week of June<sup>This year.</sup> The first conference relates to wheat, the abnormally low price of which has been causing concern both to the Government of India and <sup>to</sup> the Provincial Governments affected thereby. The main questions which the conference will have to tackle are the causes of the abnormally low price of wheat; whether it is due to over-production in the wheat-growing provinces or is a result of the law of supply and



and demand all over India or, finally, whether it is due to the activities of gamblers who in the Punjab are called "satta" and who <sup>deal in wheat</sup> ~~capture the~~ futures and control <sup>wheat</sup> ~~the~~ prices.

The second conference will deal with crop planning which has been discussed in the Government of India resolution on the Provincial Economic Conference. The conference has been fixed for June 8 and 9 and will discuss the planning of crops <sup>mainly</sup> ~~not only~~ of rice and wheat, <sup>and</sup> ~~but of~~ oil seeds, and ~~others.~~

(The Statesman, 5-5-34).

Assembly Discussion on Agricultural Indebtedness:

Resolution re. Enquiry withdrawn.

On 14-2-34 Rai Bahadur Lala Brij Kishore introduced the following resolution recommending the appointment of a committee of enquiry on agricultural distress in the Legislative Assembly:

"That this Assembly recommends to the Governor General in Council to appoint a committee of enquiry consisting of officials, experts and Members of the Assembly to enquire into the causes of the present agricultural distress and to devise means for improving the condition of landholders and peasants."

In introducing the resolution, the mover invited the attention of the government to the present economic depression characterised by fall in prices of agricultural commodities and resulting in low purchasing power of the masses. He said that the present distress was the severest of the kind suffered by India and entered a strong plea for appointing an enquiry committee to suggest means for alleviating the distress.

Several members took part in the debate over the question which was continued on 6-4-34. The principal non-official speakers on the question were Raja Bahadur, G. Krishnamachariar,

Diwan Bahadur A. Ramaswami Mudaliar, Mr. B.V.Jadhav, Sir Darcy Lindsay, Mr. N.M.Joshi and Mr. Gaya Prasad Singh. Mr. N.M. Joshi speaking on the resolution, advocated a bold programme of industrial development and public works., with the object of increasing the purchasing power of the masses. Speaking about perennial causes of Indian agricultural distress, Mr. Joshi suggested that the great increase in the number of money-lenders and the growth of a class of powerful landlords who were divorced from the soil were the chief causes of the poverty of rural masses in the country. To improve the condition of the agricultural classes, he urged that steps should be taken to see that land is held only by those who are willing to cultivate the land with their own hands. Measures have been adopted by the Provincial Governments to mitigate the evils of money-lending at excessive rates of interest and of land passing into the hands of persons not interested in actual cultivation. Mr. Joshi entered a plea for pursuing a bolder policy calculated to relieve agriculturists in the shortest time possible from the clutches of money-lenders and landlords.

Mr. G.S.Bajpai, Secretary to the Government of India in the Department of Education, Health and Lands, replying to the debate on behalf of the Government, stated that the Government sympathised with the resolution and that they were doing their best to alleviate agricultural distress. There have been a good number of Commissions and Enquiry Committees on the subject with the result that the issues today are quite clear and no fresh enquiry was necessary. He therefore appealed to the mover to withdraw his resolution. Thereupon the resolution was withdrawn.

The full debate on the resolution is recorded at pages 841-846 of the Legislative Assembly Debates of 14-2-34 (Vol.I. No.13) and at pages 3293-3342 of the Legislative Assembly Debates of 6-4-34 (Vol.I.No.5).

Development of Cottage Industries in U.P.:Resolution in Legislative Council.

A brief summary of the recommendations of the Enquiry Committee appointed by the Government of the United Provinces to go into the question of the reorganisation of the Industries Department of the United Provinces was given at pages 39-42 of our March 1934 report. The report of the Committee was taken for discussion by the U.P. Legislative Council on 12-4-1934 when the schemes proposed in the report came in for strong criticism<sub>x</sub> from non-official sections in the House. At the close of the debate, Khan Bahadur Fasihuddin introduced a resolution recommending to the Government ~~the~~ appoint<sup>ment of</sup> a committee to draw up a practical scheme of development on co-operative lines of cottage industries in rural areas and to set apart Rs.500,000 for this purpose. Mr. J.P. Srivastava, Minister of Education and Industries, said that the Government were in entire sympathy with the principle of the resolution ~~by~~ but <sup>that</sup> they could not commit themselves to the amount recommended to be allotted for the purpose. The resolution was, however, passed without a division.

(The Hindustan Times, 13-4-1934)

Employment and Unemployment.  
Municipalities and Unemployment.

In recent months unemployment has increased very rapidly in the city of Bombay and there have been frequent demonstrations by the unemployed to evoke sympathy and obtain relief. At a meeting of the Bombay Municipal Corporation held on 1-4-34 the following resolution regarding relief measures for unemployment was moved by Miss Mani Ben Kara, a labour leader:

"1. That the Corporation view with great anxiety and alarm the growing unemployment in the City resulting in starvation, ill-health and a high rate of mortality. 2. That the Municipal Commissioner be requested to consider the advisability of absorbing as many as unemployed in the City as possible in carrying out Municipal works. 3. That the Mayor be requested to start a Relief Fund for the relief of the unemployed and their families. 4. That the Mayor be requested to forward a copy of the above resolution to Government with a request that a Joint Conference between the representatives of Government and the Corporation be arranged to consider the situation and to devise ways and means to remedy the grievances of the unemployed, to avert a serious menace to the health of the city."

Mr. Jannadas Mehta moved an amendment substituting in place of the second clause of the resolution another clause to the effect that the Corporation should raise a loan to be called the Unemployment Relief Loan and to be applied towards starting capital works such as the construction of school buildings and the clearance of slums on which work could be found for the unemployed, and that Government be asked to take the matter in hand on similar lines.

Mr. M. Umar Rajab moved another amendment adding to the main resolution an clause calling upon Government to start an unemployment benefit scheme to which the Corporation would be prepared to contribute its quota, and asking the Corporation to take a census of the unemployed.

The resolution with these amendments was adopted.

(The Times of India, 2-4-34).

At an informal conference of <sup>Bombay</sup> Corporation members convened by the President on 18-4-34, the Mayor was requested by the Conference to call a citizens' conference shortly to discuss ways and means for starting an Unemployment Relief Fund.

(The National Call, 21-4-34)

The Statesman of 29-4-34 publishes United Press telegram to the effect that the Nagpur Municipality have adopted a resolution expressing grave concern and alarm at the growing unemployment in the city and requesting the local Government to sanction a loan of Rs.600,000 or to accord permission for the floating of a loan of similar amount to be called the "Unemployed Relief Works Loan" to be spent on capital works like the clearance of slums, and the construction of school buildings for the relief of the unemployed. The resolution was moved by Mr. Waghmare and seconded by Mr. Pulay. Although it was opposed by some members, it was eventually carried without a division.

Safety First Association of India: Progress during 1933.

Reference was made at pages 51-52 of the November 1932 report of this Office to the formation of the Safety First Association of India in Bombay. The following is a short account of the working of this Association during the year 1933.

General. - The report for 1933 shows that some difficulty was experienced in forming a committee which could devote the necessary time and enthusiasm to following up the inauguration ceremony with an appeal to individuals and firms in Bombay. Owing to the continued activity of the Bombay branch, both unobtrusively and by way of publicity during the past year, the Association was now in a much more favourable position in this respect. There were already signs of the awakening of a widespread interest, which would probably result in a substantial increase in membership in the near future.

Industrial Safety. - Efforts had been made in various parts of India to make accidents less frequent, and if possible, less serious. The large industries and railways of the country had introduced certain measures to educate their workers and the public to minimise the risks they run in their daily work and travels. With a central body such as this Association operating throughout the country, many advantages were offered, such as the interchange of ideas and posters, the collection of statistics which would enable those studying the conditions to find out the weak spots and have them remedied. The expenditure entailed by those already operating safety work could also be reduced, or a more extensive propaganda carried out for the same amount of money.

Public Safety. - The object of the Association is the dissemination of information by means of pamphlets, posters and lectures throughout the country, which will tend to educate the public towards a more intelligent and safer standard of living. A "safety first" primer for use in schools, had been prepared, and vernacular editions would soon be available. More useful still, a "safety code" had been drafted for the guidance of pedestrians, cyclists, motorists, children, mothers and householders. The "code" was being touched up by a special committee and would shortly appear in print.

Formation of Branches. - The manner of the registration of the Association as an All-India organisation, permitted the extension of its activities by opening branches throughout the country. Having established an active branch in one centre, efforts had now to be directed towards the creation of interest in other centres, which should be greatly facilitated by the work already accomplished by the Bombay local branch, whose activities could serve as a guide. Inquiries had been received from Baroda, Hyderabad and Bihar and Orissa, the result of which might possibly be the formation of branches in those parts while there were numerous inquiries from schoolmasters, health week presidents and others from all over the country.

(The Times of India, 26-4-34).

Co-operation.

Progress of Co-operation in the  
Bombay Presidency, 1932 - 33.\*

The following information regarding the progress of co-operation in the Bombay Presidency during 1932-33 is taken from the Annual report on the working of the Co-operative Societies in the Presidency (including Sind) for the twelve months ending 31-3-1933.

General. - The co-operative movement in the Presidency, according to the Report, passed through another very difficult year. On the one hand the economic depression seriously crippled the resources of members; and on the other, as a result of acute financial stringency, Government had to embark on a policy of rigid retrenchment. The result was that at a time when the movement required particularly careful attention Government were compelled to abolish certain posts, including that of Personal Assistant to the Registrar and an Assistant Registrar. The gross expenditure was reduced from Rs.567,000 in 1931-32 to Rs.536,000 in the year under report and the net expenditure from Rs.440,000 to Rs.388,000.

Number of Societies. - During the year under review, the total number of co-operative societies increased from 5,878 to 5,880 and the total membership from 582,609 to 595,655. The year also registered an increase in the total working capital and reserve-fund of these societies from Rs.144,210,891 and Rs.11,173,730 respectively in 1931-32 to Rs.158,091,875 and Rs.12,157,203 respectively in 1932-33. The 5,880 societies working in the year under review were made up as follows: - Central Banks 20 (members - 14,912); Agricultural Societies - 4,818 (members - 316,615); Non-Agricultural Societies - 920 (members - 262,929); Unions - 119 and Insurance Societies 3. It is stated that the Central Banks, in spite

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\* Annual Report on the Working of Co-operative Societies in the Bombay Presidency (including Sind) for the 12 months ending 31-3-33. Bombay: Printed at the Government Central Press. 1934. Price - 5-5-0 or 6d. pp.131.

of adverse circumstances, maintained a steady progress, thus showing the confidence which the public repose in the movement. The decline in the number of agricultural societies, their membership and their working capital is the natural result of the process of rectification and consolidation pursued by the Department. The weak Societies were liquidated and the undesirable members weeded out. The non-agricultural Societies also maintained a very steady progress and on the whole worked on sound lines.

Agricultural Credit Societies. - The number of agricultural credit societies fell from 4,603 in 1931-32 to 4,573 in the year under report and the total membership from 257,402 to 248,504. The working capital also showed a decrease from Rs.42,041,363 in 1931-32 to Rs.40,241,102 in the year under review. But, the reserve fund of these societies increased from Rs.2,680,408 to Rs.2,942,863 in 1932-33. The policy of rectification and consolidation was pursued effectively during the year under report also.

Agricultural Non-Credit Societies. - The working of agricultural non-credit societies is reported to have been (with certain exceptions) fairly satisfactory. The most important societies of this type, so far as the value of business is concerned, are the Cotton Sale Societies. The number of these during the year was 26 as against 23 in the previous year, but six of them did not function at all: one has been wound up during the year and one other is in a very unsatisfactory position. The quantity of cotton sold was 324,700 maunds realising Rs. 2,657,000 as against 335,000 maunds realising 2,644,000 in 1931-32. The principal handicap of non-credit societies is the lack of honest and efficient staff. In contrast with agricultural societies, non-agricultural societies have on the whole been successful in this Presidency. There was no set-back during the year under report. The number of urban banks increased from 91 to 102 and most of them worked well. The Bombay Co-operative Insurance Society increased its popularity particularly among salary earners' societies.

Bombay Provincial Co-operative Bank. - The general position of the Bombay Provincial Co-operative Bank is reported to have been satisfactory during the year under report. The number of shareholders, however, showed a slight decrease from 2,879 in 1931-32 to 2,872 in 1932-33. The deposits increased from 12.9 millions to as much as 20.2 millions. The share capital of the Bank remained unchanged but the working capital increased by 5.9 millions during the year 1932-33.

Producers' Societies. - The number of producers' societies fell from 18 to 17 and their membership from 783 to 703 during the year 1932-33. The share capital as well as the sale of articles produced registered considerable increase from Rs.33,252 and Rs.10,346 respectively to Rs.60,728 and Rs.35,391 respectively during the year under review. In spite of the fact that these societies have been greatly hit by the reduced purchasing power of



the agriculturists, they worked at a profit which was greater than that of the previous year.

Weavers' Societies. - There were 52 such societies with a membership of 2,154 during the year 1932-33 as compared with 53 societies with a membership of 2,291 in the previous year. The working capital of these societies showed a slight increase from Rs. ~~251,326~~ 251,326 to Rs. 257,989 and the sales registered a fall from Rs. 196,294 to 144,794 in 1932-33. The price of the yarn fluctuated very widely and the demand for the finished articles was very slack during the year that most of these societies worked at a loss.

(The Annual report on the working of the Co-operative Societies in the Bombay Presidency during 1931-32 is reviewed at pages 64-66 of the March 1933 report of this Office).

Progress of Co-operation in the Madras Presidency, 1932-33.

The following information regarding the progress of cooperation in the Madras Presidency is taken from the Annual Report on the Working of the Cooperative Societies Act in that Presidency for the year 1932-33, submitted by the Registrar of Cooperative Societies.

Number of Societies. - According to the report, only 107 societies were registered during the year under review as against 127 in the previous year and the number of applications received were 324 as against 527 in the previous year. 47 of the 107 societies registered were agricultural credit societies on unlimited liability basis, 20 were non-agricultural credit societies, 11 were purchase, purchase and sale societies, 3 were production, production and sale societies, 20 were land mortgage banks and the remaining 6 were societies of other types. The policy of rectification of societies rather than expansion was continued to be adopted during the year also. This accounts for the small number of societies registered during the year. In pursuance of the policy of weeding out bad societies, the registration of 691 societies was cancelled during the year as against 629 societies in 1931-32 and 516 in 1930-31.

Agricultural Societies. - The report shows that, at the end of the year under review, there were 12,064 agricultural societies of all types as against 12,563 societies on 30th June 1932. Of these,

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Government of Madras Development Department G.O.No.330, dated 10th March 1934 - Cooperative Societies Administration Report -1932-33.  
- pp.62.

12,064 societies, 11,623 were ordinary credit societies, 92 purchase and sale societies, and 349 other types of societies. The membership in these societies fell from 675,448 to 628,805. The number of agricultural credit societies fell from 12,080 to 11,623. Of the total number of societies, 80 were on the basis of limited liability, viz., 57 primary land mortgage banks, 8 seed societies, 11 grain banks, 4 societies termed agricultural banks. The total membership of these societies fell from 638,629 to 593,374. Among the agricultural non-credit societies there were only 79 societies for purchase, purchase and sale at the end of the year as compared with 89 in the previous year. The purchases made by these societies amounted to Rs. 260,902, and the sales made by them amounted to Rs. 661,442.

Non-Agricultural Societies. - At the end of the year there were 1,451 societies in this class with a membership of 269,390 as against 1,512 societies with 263,381 members at the end of the previous year. The non-agricultural credit societies also fell from 1,107 in 1931-32 to 1,080 during the year under report, while the membership of these societies recorded an increase from 231,487 in the previous year to 236,750 during the year under review. Among the non-agricultural non-credit societies, there were 195 societies for purchase, purchase and sales and production, production and sales as against 211 in the previous year. These societies had on their rolls 21,161 members with a share capital of Rs. 289,017. Their total working capital amounted to Rs. 886,294. The profits earned by some of these societies amounted to Rs. 39,707 as against Rs. 59,427 in the previous year, while the loss sustained by some of them amounted to Rs. 37,775 as against Rs. 34,212 in the previous year.

Labour Contract Societies. - There were 21 societies of this type as against 32 societies in the previous year. Of the 21 societies, 10 did not do any work in the year. The total number of members was 1,773, of whom 619 were helpers and 1,154 were actual workers. They had a paid-up share capital of Rs. 9,719 and a reserve fund of Rs. 12,777. Work to the value of Rs. 3,372 was pending execution at the beginning of the year, and work to the value of Rs. 29,885 was secured during the year. The societies executed work to the value of Rs. 29,139 in the year, while contracts worth Rs. 350 were cancelled. Members derived Rs. 17,891 as wages and non-members were paid Rs. 3,978. Some of these societies earned a profit of Rs. 2,997, while others incurred a loss of Rs. 6,551. The bonus paid to members was Rs. 760.

Weavers' Societies. - Of the 28 societies for weavers, 16 remained dormant. The others purchased raw materials to the value of Rs. 15,000 and finished products from members to the value of Rs. 62,983. The value of finished products sold to the public was Rs. 60,807. The total working capital of all these societies was Rs. 114,998. The profit of some of the societies amounted to Rs. 1,216 while the loss sustained by some others was Rs. 3,610. The Salem Weavers' Society has put forth another year of good work and proved to be of service to the weaving community of Salem. The society purchased from its members finished products to the value of Rs. 45,656 and realised Rs. 43,880 by sales. It had a working capital of Rs. 26,909 and earned a net profit of Rs. 418. Owing to the trade

depression and the heavy stock on hand <sup>with</sup> in the society, the pace of production had to be slowed down in the year. Generally speaking these societies could not make appreciable progress as they find it too difficult to compete with mill products.

(The Progress of Cooperation in the Madras Presidency during the year 1931-32 is reviewed at pages 51-52 of the February 1932 report of this Office.)

4th N.C.W.I. Biennial Conference on Women and Children 1934: Important Resolutions Re. Social, Educational and Labour Problems Adopted. ✓

The 4th Biennial Conference of the National Council of Women in India was held in Bombay from 13 to 17-3-1934 under the presidency of the Maharani of Baroda. The Conference held separate sessions to deal with questions relating to social, educational and labour problems and at each session there was full discussion of the various problems raised.

Three interesting papers read at the Labour session of the Conference were, one on "The Present Labour Legislation" by Mr. C.A. Dalal, Labour Officer of the Sassoon Mills, Bombay, a second on "Property Management" by Miss. I. Wingate, and a third on "Women Workers and Protective Legislation" by Miss B. Pillai.

In his paper on labour legislation, Mr. Dalal dealt with the salient features of the more important of the existing legislative enactments relating to labour in India, such as the Indian Factories Act, the Workmen's Compensation Act, the Payment of Wages Bill, Children (Pledging of Labour) Act, and the new Factories Bill recently introduced in the Legislative Assembly. Mr. Dalal ~~directed particular attention to the past and~~ pointed out that workers in unregulated industries are not accorded adequate protection by the existing legislation and urged the extension of the application of the regulations of the Factories Act and other ~~xxxx~~ Acts to workers in unregulated industries. ~~Miss~~

Miss Wingate, dealing with the subject "Property Management" explained that 'property' referred to in this context was workers'

dwellings. She gave a short account of the life of Miss Octavia Hill, a pioneer in this line of ~~s~~pecial activity, and described the various methods by which Miss Hill succeeded in improving the housing conditions of workers, by taking charge of workers' dwellings and making herself responsible for the collection of rents, which she handed over to owners in a lump sum. Further, Miss Hill started schools for workers' children and organised clubs and social activities for poor workers. In this way, it was pointed out, Miss Hill was able to create a sense of self respect and cleanliness in the workers. Concluding, Miss Wingate drew attention to the miserable conditions of chawls, cherries, and huts of Indian workers and urged that work on the lines of Miss Hill's activities in <sup>\*</sup> England in the sphere of property management should be initiated immediately in India.

Miss B. Pillai's paper on "Women Workers and Protective Legislation" dealt with the special questions raised by the employment of women and the legislative measures taken in the leading industrial countries of the world, and in India, to protect women workers. Miss Pillai urged the early introduction in India of an 8-hour day and 48 hour week for women workers at least, if not for all workers, the more so as, apart from social considerations, over-production and unemployment necessitated a reduction of working hours. Dealing with maternity benefit schemes, Miss Pillai stressed the necessity for the formulation of an All-India maternity benefit scheme, instead of separate provincial schemes. Similarly, regarding crèches, an All-India regulation making the establishment of crèches obligatory in

in all factories employing more than 50 women was essential. The insistent need for appointing women factory inspectors and women welfare officers, as also for a special body to study the problems of women workers in India, was also stressed by Miss Pillai.

The following are some of the more important resolutions adopted by the Conference.

#### Labour.

1. Unregulated Industries. - This Council urges Provincial Councils to study the main unregulated industries in their area and to urge the local Governments to put into operation for these industries the regulations of the Factories Act now before the Assembly.

2. Welfare Work. - This Council urges Provincial Councils to move local Governments to put into operation the Health and Welfare provisions of the new Act.

3. Maternity Benefits and Creches. This Council is of opinion that the time has come for an All-India Maternity Benefit Act on the lines of the Bombay Act. Also that the provision of creches should be made compulsory in an All-India measure.

4. Insurance Scheme for Workers. - The National Council of Women in India resolves that the Government of India be moved to appoint a public commission to inquire into the possibilities and recommend the ways and means of providing a complete scheme of social insurance, for industrial workers to begin with, against all contingencies of a workers life, including illness, accident, permanent disability, old age, maternity unemployment, etc; and to undertake and enact the necessary legislation on the report of such a commission at an early date.

5. The Age of Employment of Children. - That the age of employment of children in India should be raised from 12 to 15 in accordance with the recommendations of the I.L.O.

6. Property Management. - Resolved that Provincial Councils be asked to encourage suitable ladies to undertake house property management in some working class areas on lines similar to those adopted in some other countries and that the N.C.W.I. should be ready to supply the necessary information to anyone willing to undertake the experiment.

#### Education.

1. Vocational Training. - This Conference is of opinion

that the time has now come when it is necessary to combine vocational training with the teaching of ordinary school subjects in the Upper Classes of Primary Schools. With this object in view, it strongly recommends to Government and to Local Bodies managing Primary Schools that:

(a) They should raise the course of the Upper Primary Standards from 3 to 4 years in the case of boys and from 2 to 3 years in the case of girls so as to enable the pupils of these standards to finish ordinary school course and at the same time to acquire sufficient knowledge and practice of some useful vocation which they will be able to follow after they leave the schools and by which they would be self-supporting.

(b) In choosing the vocational subjects to be so introduced in these classes, care should be taken to select such subjects as will be learnt by the pupils during the time that will be conveniently spared for them in the 3 or 4 years.

The following is an illustrative list of such subjects:

For Boys: Carpentry; Tailoring; Weaving; Printing and Book-binding; Sign-board painting.

For Girls: Sewing; Tailoring; Embroidery; Toy-making; Laundry; Weaving; Printing on Cloth; Domestic Science and Cooking; Home Nursing, etc.

(c) That whenever necessary and possible, a knowledge of English should also be imparted in the Upper Primary Classes.

2. Resolved that there is urgent need for voluntary workers to undertake the task of Adult Education among the working classes, both men and women; that those undertaking this work should use books prepared according to modern methods, where these are obtainable, as they yield the quickest results.

3. Education of Children of the Unemployed. - The National Council of Women in India realizing the dire and widespread poverty in the country and the increase of unemployment among all classes with the resultant permanent injury to child life through inadequate education and lack of medical care, urges its Provincial Councils and affiliated Societies to support all existing institutions engaged in medical work and to endeavour to rouse City Municipalities and District Boards to a sense of their responsibility in making adequate provision for the education of children and for their medical inspection and treatment.

#### Social Questions.

1. Child Marriage. - The N-C.W.I. wishes to draw attention to the fact that the Child Marriage Restraint Act has not proved efficient as a means of eradicating the evil of Child Marriage. In the opinion of the Council the Act in its present form does

not prevent Child Marriages but serves only as an instrument of punishment. In order to remedy this defect the N.C.W.I. urge the Government and the Public to so amend the Act that this evil may be completely eradicated.

2. Destitute and Delinquent Children. - (1) That the N.C.W. I. are of the unanimous opinion that the problem presented in India by the destitute, begging and delinquent child is of national importance and that, for its adequate solution, the passage of an All India Children Act is required for the following reasons:-

(a) The passage of an All India Children Act will help forward the education of public opinion in both official and private circles as to the need of providing adequate protection for children throughout the country.

(b) An All India Children Act will remove from provincial legislatures the responsibility for initiating legislation of this type and will prepare the way for immediate operation in those provinces where circumstances permit such action to be taken.

(c) An All India Children Act will provide for the standardisation of work for the prevention and right treatment of juvenile delinquency throughout the country and will obviate the difficulties caused by the multiplicity of varying acts in the different provinces.

(d) An All India Children Act will provide for the transference of children from the certified schools of one province to those of another and thereby will avoid the present necessity whereby children from those 3 Presidencies, where no Children's Act is in force, have to be committed to the certified schools of the Presidency where they have been arrested with the result that they frequently have to be educated in a foreign vernacular.

(2) That the N.C.W.I. are assured that all expenditure incurred by the operation of legislation designed for the protection of children represents an investment for the next generation not only in terms of money, <sup>represented but</sup> ~~by the consequent~~ <sup>in the reduced</sup> cost of jail administration, but also in terms of <sup>humanity itself,</sup> ~~as what might have become losses to society~~ <sup>may be transformed</sup> into assets of citizenship.

(3) That the N.C.W.I. is of opinion that adequate social reform cannot be effected by the mere passage of legislation alone, and they, therefore, urge that, given the passage of an All India Children Act, every Presidency Women's Council and every local Women's organisation should act up to their own responsibilities by working for the education of public opinion on this particular problem of child welfare, by the enlistment of efficient workers and by the provision of schools, where they ~~might~~ <sup>may</sup> be required, for the effective operation of the All India Children Act in their particular province.



3. Traffic in Women and Children. - The N.C.W.I. wishes to express its appreciation of the work done by its Provincial Councils and their affiliated Societies towards the suppression of the traffic in women and children but would urge them to still more vigorous effort and would suggest the following methods of work:-

(a) To study in their local area the question under its legal moral, educational and rescue work aspects.

(b) To promote, where necessary, adequate and effective <sup>for</sup> legal penalties against brothel-keeping and procuration and the legal protection of women and children and, where the local bills are unsatisfactory, to introduce and secure wide support for the needed amendments.

(c) To start Rescue Homes in new areas <sup>for</sup> which under the guidance of women already serving in the fields of Moral and Social Hygiene, a larger number of women must be trained.

(d) To emphasize by all possible means in speeches and by writing the urgent need <sup>for</sup> women to qualify for service as probation officers, moral welfare workers and magistrates.

(A very brief summary of the proceedings of the 4th session of the N.C.W.I. Biennial Conference was given at page 53 of our March 1934 report).

Migration .Indian Colonisation Abroad.

(By S.A. Waiz)

(Special article which appeared in Times of India  
of 28-4-1934)

Certain very important facts have to be considered if Indian expansion and dispersal throughout the world is to be rightly understood and Indian sentiment about it is to be appreciated.

The real pressure towards Indian colonisation came first from the side of the British Government for colonial sugar purposes. Directly after the abolition of slavery in 1833, the Colonial Office found out that the sugar plantations which had been maintained hitherto by slave labour in British Colonies were being ruined for want of steady and reliable agricultural labour. After much bargaining the Indian indenture system was allowed, with a five years' contract and a fixed proportion of men to women on every emigrant ship. The results were disastrous, and though the numbers of indentured labourers increased year after year, the low proportion of women remained practically unchanged, the whole system became bound up with immorality, suicide, and sexual crime. After a long and bitter struggle, the whole indenture system was finally abolished in 1920. On that memorable day, the small remnant of Indian labourers still under indenture was set free.

Ceylon and Malaya

There were also other Indian labourers who went out under conditions much less harmful and restrictive to British Malaya and Ceylon. In these two neighbouring countries, the population overflowing from India has settled down in a much more stable manner than in distant countries.

The whole emigrant population of Indians abroad in our own generation now numbers a little over twenty-five lakhs. In Ceylon, there are now eight lakhs of Indians. The flow backwards and forwards still continues. It forms one of the two main outlets for the overflowing population from Southern India, which is densely crowded with agricultural people - hardy, industrious and frugal.

In Malaya, which is the second outlet, there are now resident in round numbers about six lakhs, who work chiefly on the rubber plantations. This is a somewhat unstable migration from South India, constantly moving backwards and forwards according to the prosperity or depression in the rubber industry. There is still room in Malaya for a much larger number to settle than have hitherto gone from the Madras Presidency. But the pressure of emigration from China is also beginning to tell heavily and the chief stream in future may proceed from that quarter. In the long run the race which settles down in the country to a family life, bringing over women as well as men, will prevail.

### In the Dominions.

In South Africa, all told, there are nearly 180,000 Indians in residence. In the whole of East Africa there are about 98,000, of whom about half are in Kenya and Tanganyika. The island of Mauritius contains over 265,796 Indians. In the West Indies, British Guiana contains some 131,919 and Trinidad and Tobago 140,600 Indians. About 40,000 reside in Dutch Guiana, which is called Surinam, and 18,000 in Jamaica. In Fiji, in the South Pacific, some 79,000 Indians are now permanently settled who went out as indentured labourers. They are slowly becoming the main resident population of the Islands. There is a fairly large floating population of Indians also in the Dutch East Indies, Japan, Borneo, Siam, and French Indo-China, as well as at the great ports of Shanghai and Hongkong, chiefly carrying on trade.

In the British Dominions of Canada, Australia and New Zealand, the number of Indians in residence has now become almost insignificant. Last of all, in Europe and America, there is a variable population of these who have gone over for study or commerce. This may number in all some 5,000 to 10,000 people.

### "White Australia" Policy.

These figures represent the largest groups of emigrant Indians. But that there are in addition many scattered groups who have gone to Mesopotamia, Afghanistan and Central Asia; who are to be found in Somaliland, Abyssinia, Madagascar, Belgian Congo, the Sudan, Aden, Rhodesia and even on the West Coast of Africa.

While certain colonies in the tropics were thus eagerly demanding supplies of Indian labour and doing everything possible to obtain it for their plantations, on the other hand the Dominions of Great Britain, in the colder regions of the earth, were rapidly shutting their doors against all Indian immigration. Thus Australia in the far South, began to prohibit Indian immigration and to formulate the "White Australia" policy at the beginning of the twentieth century. Canada and New Zealand followed suit.

### Kenya Struggle.

South Africa in 1911-1913 prohibited all fresh Indian entry into the Union of South Africa. Only quite recently Southern Rhodesia has joined hands in this matter with the Union, and the Mandated South West Africa Territory under the Union has been closed to Indians. It is not unlikely that the British in Northern Rhodesia will attempt to exclude Indians; and the most determined efforts have already been made to bring Kenya into line with South Africa and Southern Rhodesia.

At the back of the whole Kenya Indian question this strong desire on the part of leading British settlers to exclude Indians from Kenya has been one of the most critical factors. Even though Kenya itself is situated on the equator and stretches across the tropics, yet no stone hitherto has been left unturned on the part of leading European settlers in order to shut the door of Mombasa against Indians and thus prohibit them from Africa altogether.

It will be readily understood that extreme bitterness exists in India concerning this palpable and obvious reluctance on the part

of the British Dominions and <sup>the</sup> Colonies to allow Indians to live side by side with British in the same country within the same Commonwealth. After a twenty years of struggle, which more than once has nearly led to an open rupture, a Reciprocity Resolution of the Imperial Conference was signed in 1917 between representatives from India and the Dominions. By this resolution the Indian Administration is at liberty to impose exactly the same conditions on Australians, Canadians and others desiring to enter and reside in India, that Australia, Canada and other Dominions impose on Indians. This Reciprocity Resolution has been rather acquiesced in by leading Indian statesmen than willingly accepted. They point out that it makes little material difference in practice, because very few Australians or Canadians wish to come to India. Nevertheless, since even a reluctant acquiescence has now been given to this Reciprocity Resolution of the Imperial Conference in London, some of the worst tension has been removed. The Dominions of Australia, and New Zealand have tried to eliminate to some extent any racial disabilities affecting the few Indians who still remain within their territories. But the tension with South Africa remains fundamentally unchanged because ~~the~~ racial disabilities remain unaltered.

**What India May Claim.**

The problem of keeping open the tropical territories for Indian immigration still needs to be considered in detail. The unfairness of shutting up the whole Northern territory of Australia, which is well within the whole tropics, is too glaring to need any comments. The closing of the Mandated Territory in New Guinea is another injustice done to Indians under the guidance of the League of Nations. If the main reason for Indian exclusion from the British Dominions in the temperate zone is that such regions are more suited to British immigrants who live in a temperate zone in England, then the same reason would point to the tropical regions being made open to Indian subjects of the British Commonwealth who are used to a tropical climate. Before long India will be in a position to claim that no barrier shall anywhere be erected within the British Commonwealth of Nations, whereby Indians who are part of the Commonwealth, shall be excluded from the tropical regions.

**Colour Prejudice.**

The South African Dominion has presented for many years past a very special and peculiar problem of its own. Not only were Indians sent out at a very early date to Natal under the indenture system to the sugar plantations but traders also went out from India along with indentured labourers in great numbers. One part of South Africa lies within the temperate zone; another part is semi-tropical. There is still further a very large Bantu population, out-numbering the Europeans in the proportion of nearly four to one. All these factors have made the situation unique. It still represents the most critical issue within the Commonwealth between India and the Dominions. It is also in this region that race and colour prejudice has gone further than anywhere else under British rule.

### Insoluble Problem?

Behind all this conflict lies a fierce economic struggle mixed up with the question of colour and race. Racial problems which have become so exceedingly acute in South Africa and elsewhere nearly always start from an economic basis. The Indian is not primarily excluded by White Australia, for instance, because of the colour of his skin; for there is very little colour prejudice among the Australian people as a whole. The Indian is excluded because he is used to such an abstemious form of living that he can undersell the Australian working man every time. Thus a vicious circle is established in which race, colour and cheap labour play so many different parts. Of all the complicated difficulties of our own age, these mixed racial and economic problems appear to be the most insoluble.