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„ Woollen Textile Industry in India : —Com. Pradhuman Singh	
„ Cashew Industry : —Com. Shantaram Pai.	
„ Iron & Steel (Note) : —Com. Nihar Mukherjee	
„ Jute Industry : —Com. Bhowani Roy Chowdhury	
„ Chemicals and Fertilisers : —Com. G. Sundaram	
„ Railways : —Com. P. K. Kumaran, M.P.	
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12. STRENGTH OF DELEGATIONS	

INTERNATIONAL

in the Session

1. *Delegations which attended the Session in person.*
 1. World Federation of Trade Unions :
Com. Renato Bitossi—President
„ Mahendra Sen—Member
„ Jacquelin Levy—Member.
 2. U.S.S.R. : All Union Central Council of Trade Unions of the U.S.S.R. :
Com. K. A. Guseinov—Secretary
„ V. Nikitin—Member.
 3. Ceylon : The Ceylon Federation of Trade Unions :
Com. L. W. Panditha—Assistant General Secretary.
 4. Bulgaria : Central Council of Bulgarian Trade Unions :
Com. M. V. Ignatov—Secretary.
 5. Hungary : Central Council of Hungarian Trade Unions :
Com. Lazlo Gal—Secretary
„ Ferenc Bognar—Member.
 6. German Democratic Republic : FDGB :
Com. Alfred Wilke—Member of the Presidium
„ Veronica Lieb—Member.
 7. Czechoslovakia : Central Council of Trade Unions :
Com. Antonin Zazvorka—Member of the Secretariat
„ Joseph Lisa—Member.
 8. Yugoslavia : Confederation of Yugoslav Trade Unions :
Com. Peter Munjas—Member of the Presidium
„ Josip Franic—Member
„ Zivojin R. Bulat—Member.
 9. Mongolia : Central Council of Mongolian Trade Unions :
Com. Mrs. B. Shanykhuu—Secretary.
 10. Trade Unions International of Transport, Port and Fishery Workers :
Com. Satish Chatterjee—General Secretary.
- II. *Fraternal Greetings were received among others from :*
 1. CGT, France.
 2. CGIL, Italy.
 3. Central Council of Rumanian Trade Unions.
 4. Federation of Trade Unions of Guinea.
 5. International Confederation of Arab Trade Unions.
 6. Cyprian Federation of Labour.
 7. United Trades Union Congress, India.

Report of the Session

By Com. M. ATCHUTHAN

Secretary, AITUC

It was in Bombay that the All-India Trade Union Congress was founded — on October 31, 1920. In the fortysix years which have passed since then, Bombay played host to Sessions of the AITUC in 1925, 1936, 1940 and 1949 and the 27th Session of the AITUC held from May 16 to 22, 1966 was the sixth occasion when the Bombay workers, steeled in class battles, played host to a historic congress of trade union delegates which will mark an important milestone in the onward march of the organised workers of our country.

The 27th Session of the AITUC met at the Purandare Stadium in Naigaum, Bombay, amidst fanciful reports published by the bourgeois press about an imminent split in the ranks of the AITUC. Confronting the enemies of the TU movement, the 27th Session of the AITUC has shown the new maturity of the organised workers' movement in our country to unite in defence of national and class interests. And, from the platform of the 27th Session of the AITUC, a stirring appeal has been issued to workers and trade unions of all affiliations to forge broadbased trade union unity on the basis of an agreed programme of action.

The 27th Session of the AITUC came to definite and clear conclusions over all major issues confronting the trade unions and the Draft Platform of Trade Union Action which the AITUC has put forward to the other TU centres is a programme on which all workers, irrespective of affiliation, can and must unite. The unity platform on which delegates to the session were unanimous was adopted after animated discussions and free and frank expression of views, including sharply differing political opinions which were inevitable when various political trends were reflected in the composition of the delegations.

Narrow party politics has been used for long to divide the trade union movement by the bourgeoisie and that was how the AITUC which had held within it all genuine trade unionists who chose to stand by the workers for nearly three decades and the organic unity of the TU movement in India, was later disrupted with the trade union rivalry which came in the form of the INTUC organisation

formed under the auspices of the ruling Congress Party. The hope that divisive forces would again prevail at the 27th Session was therefore uppermost in bourgeois circles and the struggle to realise a platform of united action initiated by the 27th Session of the AITUC will necessarily mark a counter-offensive against the forces of disruption which should be launched with new vigour in the interest of the working class and the country.

The 27th Session which will thus mark a turning point in the history of our TU movement was outstanding in many other respects. Unprecedented was the number of delegates attending which created considerable dislocation in the reception arrangements.

According to the report of the Credential Committee, 2,669 delegates attended the 27th Session from 872 affiliated unions having a membership of 11.61 lakhs. In no previous session has the total strength of the delegations exceeded two thousand. What was more significant was that delegations were drawn from all States and all industries and trades and a large number of delegates were attending a Session of the AITUC for the first time since the number of new unions seeking affiliation before the Session was around 300. This factor gave the lie to the bourgeois propaganda that political differences and the repression unleashed against AITUC unions invoking emergency powers had dealt a mortal blow to the AITUC organisation.

The strength of delegations state-wise was as follows : Andhra Pradesh — 308; Assam — 5; Bihar — 70; Delhi — 112; Goa — 15; Gujarat — 54; Kerala — 185; Madhya Pradesh — 85; Mysore — 131; Manipur — 2; Orissa — 16; Pondicherry — 16; Maharashtra — 659; Rajasthan — 85; Uttar Pradesh — 95; Himachal Pradesh — 8; Madras — 236; West Bengal — 506; and Punjab — 83.

FRATERNAL DELEGATIONS

The 27th Session of the AITUC was honoured by the presence of the President of the World Federation of Trade Unions, Renato Bittossi, who headed the fraternal delegation from the WFTU. This was the first time that a President of the WFTU visited India. Members of the WFTU delegation included Mahendra Sen and Jacquelin Levy.

K. A. Guseinov, Secretary, All Union Central Council of Trade Unions of the USSR and V. Nikitin from the International Department of the AUCCTU, were in the fraternal delegation from the Soviet Union.

The Ceylon Federation of Trade Unions was represented by L. W. Panditha, Assistant General Secretary.

M. V. Ignatov, Secretary, Central Council of Bulgarian Trade Unions represented the trade unions of Bulgaria.

The Central Council of Hungarian Trade Unions was represented by Lazlo Cal, Secretary, and Ferenc Bogнар.

The GDR delegation was headed by Alfred Wilke, Member of the Presidium of the FDGB. Veronica Lieb was a member of the GDR delegation.

From Czechoslovakia, the Central Council of Trade Unions was represented by Antonin Zazvorka, Member of the Secretariat, and Joseph Lisa.

The Yugoslav delegation consisted of Petar Munjas, Member of the Presidium of the Confederation of Yugoslav Trade Unions, Josip Franic and Zivojin R. Bulat.

Mrs. B. Shanykhoo, Secretary, Central Council of Mongolian Trade Unions, headed the Mongolian delegation.

The Trade Unions International of Transport, Port and Fishery Workers was represented by its General Secretary, Satish Chatterjee.

Fraternal greetings to the Session were sent by the CGT, France, CGIL, Italy, the Central Council of Rumanian Trade Unions, the Federation of Trade Unions of Guinea, International Confederation of Arab Trade Unions, the Pan-Cyprian Federation of Labour and the United Trades Union Congress, among others.

PROCEEDINGS OF THE SESSION

The 27th Session began at the Purandare stadium on the afternoon of May 16, 1966, with the flag-hoisting ceremony. The inaugural session was first greeted with the welcome address of the Chairman of the Reception Committee, K. N. Joglekar, President of the Maharashtra Committee of the AITUC.

The Session began its work with a solemn homage to the martyrs who had fallen in class actions and adoption of condolence resolutions. The Session paid its respectful homage to the memory of the departed leaders of the trade union and democratic movements.

The Presidential Address was delivered on May 16 by S. S. Mirajkar, President of the AITUC. (Text of address printed separately).

S. A. Dange, General Secretary, AITUC, presented his 78-page printed draft report (text printed separately) to the Session on May 17 forenoon. The General Secretary himself later explained the points in the report separately in Hindi and translations into other languages were arranged by the State TUC delegation leaders.

The Session discussed the General Secretary's draft report on May 18 and 19. The main arguments of those who disagreed fundamentally with the report and called for its total rejection were placed before the Session by P. Ramamurti. Among those who participated in the discussion of the report were Homi Daji, M.P., M. K. Pandhe, P. Balachandra Menon, Balasubramaniam, Chaturanan Mishra, Sarnarain Singh, H. K. Vyas, N. Satyanarayana Reddy, Anadi Das, Ranen Sen, Satish Loomba, Md. Ismail, M. Kalyanasundaram, Sudhir Mukhoti, B. D. Joshi, B. S. Dhume, B. T. Ranadive, Indrajit Gupta, A. B. Bardhan and Sudhir Mallick Chowdhury. S. A. Dange, General Secretary, replied to the debate later.

Replying to the debate, S. A. Dange said that the draft report could be improved and strengthened in some respects but he did not agree with the criticism of those who wanted a total rejection of the report. He pointed out that there was no intention to impose the political line of any one political party on the trade union congress, as was alleged by some of the critics. The report, he said placed before the working class a broad political framework within which a programmatic understanding for a platform of united action could be worked for. He emphasised that problem of TU unity was not confined to unity inside the AITUC organisation alone but should embrace all sections of the TU movement which could and should be brought together on a joint platform. He suggested that after adopting the draft report as the basis, the Working Committee might finalise and publish the report in the light of the discussions and the amendments suggested.

A resolution was moved by Y. V. Chavan proposing that the Session adopts the report and refers it to the new Working Committee to publish it within two months, in the light of the discussions in the 27th Session.

The resolution was opposed by a section of the delegates. Later, P. Ramamurti placed a proposal before the Session that instead of adopting the report, the Session might adopt a Draft Platform of

United Action which he had prepared. General Secretary, S. A. Dange, opposed the proposal that only the Draft Platform may be adopted by the Session and not the Draft Report and suggested that both the documents may be adopted and referred to the Working Committee. S. A. Dange also suggested certain amendments to the Draft Platform which were accepted by the mover, P. Ramamurti.

Since no agreement could be reached on this question, it was decided to put the proposals to vote. The resolution moved by Y. V. Chavan for adopting the report and referring it to the Working Committee was passed by an overwhelming majority. 1827 delegates voted in favour of the resolution, 617 against and two were neutral. Two votes were invalid. 2448 delegates were present at the time of voting.

The Session later adopted unanimously a resolution expressing solidarity with the heroic struggle of the Vietnamese people (see text printed separately). Earlier, on May 19, the Session had sent a cable of greetings to President Ho Chi Minh on his seventy-sixth birthday. It was decided to intensify solidarity actions with Vietnam and on a suggestion from the floor, delegates spontaneously collected in small donations, over Rs. 1,500, as a token of material solidarity with the Vietnamese people bravely resisting American aggression.

The 27th Session adopted a resolution on Indo-Pak and India-China relations (see text printed separately).

Resolutions were adopted demanding an immediate end to the state of emergency and scrapping of the Defence of India Rules, for protection of trade union rights, on solidarity with State Government employees' struggle, on wages, D.A. and other trade questions affecting workers of various industries. The resolutions which could not be discussed in the Session were referred to the Secretariat of the AITUC.

ELECTION OF NEW OFFICE-BEARERS

Since, in informal talks, no agreement could be reached to enable a unanimous election of office-bearers, a panel was placed before the Session by Satish Loomba proposing P. Balachandra Menon as President and S. A. Dange as General Secretary. S. Y. Kolhatkar proposed that P. Ramamurti should be elected as General Secretary. Later, a proposal was made by B. S. Dhume that S. S. Mirajkar should continue to be the President, in the interest of the unity of AITUC. This proposal was accepted by S. A. Dange. The

contest for the post of General Secretary was however pressed by a section of the delegates who wanted P. Ramamurti as the General Secretary. The amendment to the Panel proposing P. Ramamurti as General Secretary was put to vote and was lost. The Panel with S. S. Mirajkar as President and S. A. Dange as General Secretary was then put to vote and was declared adopted with an overwhelming majority voting in favour.

PRESIDENT — S. S. Mirajkar

VICE PRESIDENTS P. Balachandra Menon
S. S. Yusuf
Maqdoom Mohiuddin
Parvathi Krishnan
Kedar Das
Dr. Ranen Sen
Md. Ismail

GENERAL SECRETARY S. A. Dange

SECRETARIES — Indrajit Gupta
Satish Loomba
K. G. Sriwastava
M. Atchuthan
M. K. Pandhe

TREASURER — M. S. Krishnan

Later, the 27th Session elected the new General Council which in turn elected the Working Committee and coopted some members to represent various industries, etc.

The decisions taken at the 27th Session were explained at a mass rally held at Shivaji Park on May 22, 1966. The rally was addressed by S. S. Mirajkar, President, S. A. Dange, General Secretary, Renato Bitossi, President of the WFTU and K. Guseinov, Secretary, All Union Central Council of Trade Unions, USSR.

Welcome Address

By Com. K. N. JOGLEKAR
Chairman, Reception Committee

Fraternal and Fellow Delegates,

On behalf of the Reception Committee of the Maharashtra Rajya Trade Unions Committee I have great pleasure in greeting you at this 27th Session of the All India Trade Union Congress. We are equally thankful to the General Council of the AITUC for giving us this honour and opportunity of holding this 27th Session in Bombay.

Bombay is the premier working class city in India. Delhi is the formal capital of India. But Bombay is the de facto capital. It is the citadel of the Indian Big Bourgeoisie and Big Business. Likewise it is also the stronghold of the Indian Proletariat. All important events and movements of National and Social significance have taken shape and form from this great city. The Indian National Congress was founded in Bombay and when the working class in India began to mature, in the context of the First World War upheaval, The Central Class Organisation of the working class in India, the All India Trade Union Congress, was also founded in Bombay on 31st October, 1920.

Working Class of Bombay has always stood as the spear-head in all social and political movements. It staged the first ever Political Strike in India and gave battle to the British Imperialists in the streets of Bombay when inhuman and savage sentences were inflicted on Lokmanya Tilak in 1907. Bombay was the centre of all the National struggles led by Gandhiji and the Bombay working class has always played its prominent role throughout these struggles right from the Rowlatt Act to 'Quit India' movement. And when in the wake of Netaji's Azad Hind Fouj, the Naval Ratings in Bombay rose in Mutiny and paraded the streets of Bombay, the Working Class of Bombay true to its historic traditions joined them, raised barricades in streets and by-lanes, and gave heroic battle to the British Tommies. Equally fearlessly has the Bombay working class always stood in the forefront of the economic struggles to win ever new rights and privileges for its class and defend the same from all wily and treacherous attacks of the capitalists. In the context of World War II it took the lead and established the right to D.A. for

workers all over the country. The last month's memorable 12 days strike of the Textile Workers of Bombay was an advance protest against the capitalist machination and offensive to take away the hard earned Bonus Right and the time old established right of the working class to have automatic wage rise with the rising cost of living.

With the back-ground of such glorious traditions, rich with the technique of 'Bombay Bundh' and 'Maharashtra Bund' the Bombay Workers and the M.R.T.U.C. heartily greet you at the deliberations of this 27th Session of the A.I.T.U.C.

Standing under the class banner of the A.I.T.U.C. the Working Class of India during these 46 long years, has earned many social and legal rights and benefits. It has secured limitations of hours of work and forced, on important Industries, Wage Boards securing regularisation of wages and earnings. Immediately after Swaraj, the Congress Bourgeoisie was reluctantly compelled to yield before the organised agitation and struggle of the Working Class. But as years passed the attitude of the ruling Bourgeoisie is distinctly stiffening and with their links with foreign financiers, they are trying to consolidate and strengthen their monopolistic stranglehold on the economy of the country and, in the course, are trying to hatch and launch attacks on the workers' living conditions and rights. The recent litigation in the Supreme Court to quash the Bonus Act and the proposal of the Bombay Millowners to impose 33-1/3% cut in D.A. are but bold indications of this wild attack.

Simultaneously with this, the businessmen and hoarders, with their crafty nefarious practices, are creating artificial scarcity of the necessary consumption goods of the common man and are systematically increasing their loot and exploitation.

Such are the serious and grave issues that are going to demand compelling attention of you all at this 27th Session. Along with them, there are also different problems of Industry and Trade. The evil effects of automation and intensification will have to be studied and measures and methods to fight them will have to be evolved. The Imperialist aggression in Viet Nam and the serious question of War and Peace will also command your attention. Many such engaging subjects will demand consideration. I am confident, You Comrades, many of you battle-scarred heroes of the working class movement will evolve with your experience appropriate solutions for all these varied problems.

During these past two months we have been in the big crisis of the predominant Industry of the City, the Textile Industry. Con-

sequently we have had no adequate time and leisure to look after the arrangements for this Session. This is likely to result in inconvenience and discomfort to you in some respects. It is my humble request to you to excuse us for these shortcomings, if any, and extend your full co-operation to us in taking these deliberations to a successful conclusion.

We are happy to have amongst us here, fraternal delegates from several socialist and other countries as also the President of the W.F.T.U. Their experiences and co-operation will be of immense importance in this Session. On behalf of the Working Class of Bombay and of India, I heartily greet them and the Working Class they represent.

While concluding, I again extend to you our hearty greetings and request you to join in the deliberations of this 27th Session of the A.I.T.U.C. and carry it to a fruitful and successful conclusion.

Presidential Address

By Com. S. S. MIRAJKAR

Dear Comrades,

The period since we last met at Coimbatore has been a period of severe repression on the working class in general and particularly on those organised under the AITUC — Hundreds of TU functionaries had been detained in jail under the Defence of India Rules for about ten months in 1962-63 and again for over 15 months since October 1964. Some of them like Coms. B. T. Ranadive, B. S. Dhume, Samuel Augustin, and P. K. Kurane, had been detained continuously since 1962. Respected leaders of the working class and working people like Coms. S. V. Parulekar and B. D. Parab lost their lives in jail as a result of harrowing conditions in prisons. In addition to these in many a Trade Union struggle many were detained under the D.I.R. for various periods. In these struggles scores had fallen victims to brutal and unprovoked firing by the police. On behalf of the All India Trade Union Congress, I pay my tribute to these valiant heroes and pledge that the Indian working class will never forget their great martyrdom and will keep aloft the banner of struggle for democracy and socialism that they so heroically upheld.

Many trusted and tried leaders of the Working Class are no more with us; and it is our duty to remember on this occasion the valuable services rendered by them to the task of building up the A.I.T.U.C. The devotion of comrades like T. B. Vithal Rao, R. K. Bhogle, Bapurao Jagtap, Jeevanandam will certainly inspire us in carrying forward the unfinished task left by them.

I am extremely happy to welcome Com. Renato Bitossi President of the W.F.T.U. amongst us in our Session. It is the first visit of the W.F.T.U. President to our country and his presence will no doubt contribute to a great extent in making this session a grand success. I also welcome all other Fraternal Delegates from various countries who have taken so much trouble to come here in this Session and express their solidarity to the struggles of the Indian Working class. I sincerely thank all the fraternal delegates for their support to our struggles. We will soon get an opportunity to hear them during this session and learn about the conditions of the victorious working class and people in their countries.

The working class is facing these days severe attacks both from employers and the Government. These attacks are not fortuitous. They are part of the entire policy that the Government has been pursuing in the interest of big business since it came to power. These policies have led the country to a severe crisis on the agricultural, industrial, price, foreign exchange, employment — in fact on every front of economic activity.

Three Five Year Plans are over and we are supposed to be in the first year of the Fourth Plan. But nobody knows what the shape of the Plan will be. Everything depends on the U. S. imperialists, who have asked the World Bank to examine the proposals of the Government of India and give their views. It is clear therefore that the imperialists through the World Bank have the decisive and the last word on our development.

It is necessary to recall that at the end of the Second Plan, the then Prime Minister Jawaharlal Nehru, stated that our economy would be soon on the take off stage. There were many in the country who echoed these rosy pictures painted by the then Prime Minister. To be able to manufacture our own machines is the basic need of the country. Without this all talk of 'take off stage' is just prattle. Many said that we shall be able to manufacture our machines with the foundations laid in the Second Plan.

And yet today, after the Third Plan has been completed, we find that far from being able to manufacture our machines, our Government is making concession after concession to the foreign monopolists to get their machines. The concessions granted to the Fertiliser Monopolists at the behest of the World Bank have given rise to a first class scandal.

As for the performance, the targets in no field of the Plan are anywhere near fulfilment. Even according to official statistics there has been a short fall of 40 per cent in the Third Plan targets. And on top of it, what to talk of further industrialisation, most of the existing industries are working under capacity. Raw materials and intermediate goods cannot be got because there is no foreign exchange. And this foreign exchange will be available only if the imperialists will give us the requisite loans, which are mis-called 'aid'. Even in the textile industry, which does not depend upon foreign aid, many mills have closed down and production reduced. Tens of thousands of workers have been thrown out of employment in the textile, engineering and other industries. The plight to which our rulers have brought the country's economy has brought the very concept of planning to contempt and ridicule.

Not that the common people did not give up their utmost to the Plans, taxation on the common people during the three plans was nearly three times the target figures. In addition prices have been going up throughout the period of the Plans, thereby reducing the share of the common people in the national wealth.

In Europe capitalism was built on the ruins of feudal landlordism. Moreover, the capitalists of those countries had colonies whose loot gave them immense resources for capital investments. Then with further development, these same colonies provided them with the market as well as cheap sources of raw materials, so that they could continue to reap maximum profits and invest them in their industries and expand them.

This path is not open to our capitalists, because with the collapse of the colonial system the world over, when the imperialists themselves are facing a permanent crisis, where is the colonial possession, whose loot could provide our capitalists with the huge capitalist accumulations ?

Naturally in these circumstances, the intensified exploitation of all sections of the people — their virtual loot alone — is the only source left to them. This is done by them with the help of the State. Today, in our country, the State plays the biggest role in finding the capital for the capitalists. How many financial institutions has the Government founded for finding capital to our big capitalists ?

Despite all these, they cannot get the foreign exchange necessary. Today, with the immense advance in science and technology, machines cost many times more than what they cost a hundred years ago — or even before the war. Our Government therefore depends on foreign aid to meet this deficit. The socialist countries have certainly helped us to start some basic industries and their help is certainly utilised by the Government to bargain with the imperialists to get better terms for their aid. However, the enormous dependence on western aid gives them the whip hand and they have been utilising this situation to arm first the Indian Government.

The situation is further aggravated by the refusal to carry out real agrarian reforms which would give land to the tiller and thus harness his enthusiasm for creative and productive activities. The result is that despite thousands of crores of rupees spent for agriculture, and irrigation, we have a stagnant agriculture. Produc-

tion in agriculture has remained more or less stagnant throughout the Third Plan. And this year there is a drought, the country is facing a terrible food shortage, when hoarders and blackmarketeers are running riot.

But even under the conditions, the Government will not take firm measures against the big landlords and hoarders, take away their power to inflict misery on the people, institute state monopoly in food grains and distribute the available foodgrains equitably. On the other hand the Government, while allowing these elements to run riot, only attempts to mitigate the difficulties a bit by begging foodgrains aid under PL 480 from the U.S. Government.

Thus we have been witnessing the alarming growth of increasing dependence on foreign aid even for our maintenance imports necessary for running our existing industries. Naturally, the imperialists who do not want to see our country develop along independent lines, utilise these conditions to dictate their terms.

Gone are those talks of the country having achieved the 'take off stage' by 1960-61. Today, the Prime Minister and the Planning Minister say that if more increased foreign aid comes, the country could reach the take off stage at the end of 10 years. This is like a drunkard saying that in order to give up drinking after two years, he must have more drinks in the next two years !

The imperialists themselves, after the third of the humanity has broken out of the capitalist system are facing a permanent and intensifying crisis. This dependence of countries like India on their aid is naturally utilised by them for still greater exploitation of our resources. The prices of the goods they export to our country have been rising every day. On the other hand they dictate the prices of the commodities we export and the chasm between our import and export prices has been continually widening—leading to still greater dependence on the west.

It is clear that all this talk of the country attaining self-sufficiency with western aid is just a mirage. Today they have forced our Government to give up one position after another in their industrial policy resolution declared immediately after independence. The Government, forced to a tight corner, has declared an open-door policy with regard to foreign capital—chiefly U.S. capital—to start important industries, with promises of unconscionable profits and uncontrolled exports of profits.

The experience of the three Plans has conclusively proved that all hopes of independent development on the lines of capitalism are doomed to failure. Any pursuance in this line of development will only tighten the noose of neo-colonialism round our neck and the independence won by the heroic struggles and sacrifices of the Indian people is in dire peril.

In order to accumulate huge surplus for building capitalism in the country the Indian bourgeoisie formulated its labour policy that would ensure intense exploitation of the workers. A virtual wage freeze became the cornerstone of the wage policy during the plan period.

In the wake of big strike struggles all over the country the Government was compelled to accept certain norms for the fixation of minimum wages. However, the Wage Boards appointed for the purpose deliberately ignored these accepted recommendations and were converted into instruments of imposing wage freeze by the back-door. The wage board machinery is extremely time consuming and workers are given a nominal rise in wages which are not even sufficient to maintain their real wages. There has been no rise in the real wages of the workers since the beginning of the so-called planning and even official statistics show that real wages today are far below 1939 wages. The condition of the workers in unorganised industries is particularly bad. The minimum wage advisory committees have recommended ridiculously low wages to the workers. In some cases the daily wage thus fixed is less than a rupee. Even to implement these decisions workers have been forced to launch a struggle.

Whatever monetary concessions workers snatch from the unwilling hands of the Government and the employers they are nullified by the steep rise in the price level. When the prices went up to alarming proportions the Government resorted to fraudulent methods of compiling price index with a view to keep the index down and deny even the partial compensation in the form of D.A. It was an all-India conspiracy to manipulate price indices as a result of which official index failed to reflect the magnitude of the rise in price level. The fall in real wages would appear to be far more serious if the fraudulent indices are taken into consideration. The widespread struggles of the workers in different centres compelled the Government to form expert committees in centres like Bombay, Ahmedabad and Delhi but the indices were only partially rectified and in case of Delhi the Government even went to the extent of covering the dirty fraud which was partially brought to light by the Committee. The Expert Committees are yet to be appointed in various

other centres and All India Consumer Price Index continues to be a fraudulent index.

The intensification of workload is systematically being imposed on the workers through the productivity drive. Rationalisation and modernisation have considerably increased the labour productivity, gains of which were appropriated only by the employers. The wage boards while granting some wage rise to the workers allowed the employers to increase the workload. Time and motions studies have been conducted to impose additional workload in some organised industries like cement and engineering. The tall talk of linking wages with productivity is being undertaken only to deny any wage rise to the workers. The productivity measures have resulted in reducing job opportunities for new entrants and in some industries like jute and tea plantations the number of workers employed has also dropped considerably. In a country where unemployment problem is already acute the introduction of advanced techniques of production is fraught with dangerous social consequences.

The tri-partite machinery has been in operation for more than two decades. Experience however has clearly shown to the workers that the tri-partite agreements are not meant for employers and the Government to observe. Due to the pressure of the mass movement the employers and the Government were compelled to give their consent to some agreements, they were flouted soon after their adoption. The tri-partite agreement on the norms to fix up minimum wages was not implemented by a single industry. Despite the agreement on rationalisation the employers resorted to various dubious methods to retrench the workers. Employers have shown scant regard for the Code of Discipline which is being utilised only against the workers, thanks to the attitude of the Government. The principle of linking D.A. with the price index was formally accepted by the Government but it was not at all implemented in practice. A proper analysis of the tri-partite agreements will certainly show that employers and the Government implemented them only in breach.

The Industrial Truce Resolution is a glaring example of the disregard usually shown by the employers and the Government to the commitments in Tri-partite agreements. Both the Government and the employers refused to implement a single clause in the agreement while a blanket ban on workers' strike was imposed. The assurance given on the eve of signing the Industrial Truce Resolution in 1962 by Mr. Nanda, the then Union Labour Minister that fair price shops would be opened in every factory employing 300 or more workers is yet to be implemented in full.

Using the Indo-Pakistan conflict again, the Government manoeuvred to get Trade Union organisations agree to the Industrial Truce. All such truces when the bourgeoisie control the factories and the state apparatus inevitably leave the employers free to mount attacks on the workers with no effective checks to prevent them from meeting the safeguards they themselves agree to and leave the workers unarmed and defenceless against these attacks. I am sure that the Indian working class has learnt the lessons from its own bitter experience of the Industrial Truce Resolution. AITUC was right in declaring that it was no more bound by the Truce resolution.

The recent example of the Bonus Act has amply proved that when it suits them, the Government and the employers do not feel shy of reducing the whole concept of tri-partite machinery into a mockery. For four years since the appointment of the Commission the employers deliberately postponed the payment of the bonus on the plea that they await the Report of the Commission and the decision of the Government. Though the workers' representative on the Commission agreed to reduce their demand in order to arrive at unanimous recommendations the representative of the employers appended a note of dissent. Strangely enough, even the majority recommendations were thrown into waste paper basket and the Government accepted employers' views in toto which formed the basis of the Bonus Bill. As a result of this, the formula for bonus under the new Act made position of the workers worse than it was before.

Even though employers' representative on the Commission accepted the principle of minimum bonus, when the time had come to implement it the employers have gone to the Supreme Court questioning the constitutional validity of the measure. Under these circumstances what reliance can be placed on the employers and the Government's words in the face of this flouting of solemn undertaking ?

The employers and the Government have been systematically using the tri-partite agreements to blunt the edge of workers' struggles. Hence the working class has to rely on its own organised strength and struggle even for the honouring of their undertakings by the employers and the Government.

The industrial relations machinery is today utilised by the employers to encourage class collaborationist ideas among the workers. The machinery is extremely dilatory and is meant to sidetrack the attention of the workers from the path of struggle. The Labour legislation is full of loop-holes which give a handle to the employ-

ers and the Government to deny even the privileges permissible under the law.

Some of the recent decisions by the Supreme Court clearly demonstrate that under the present Constitution the right of property is well enshrined and enthroned which in practice is used to safeguard the interests of the big business. Under these circumstances all talk of social justice through legislation is just moonshine. It is true that due to the strength of the movement the employers and the Government are compelled to grant some concessions to the workers. However it would be incorrect to think that any longstanding improvement in the conditions of the working class is possible under the present set up.

Utilising the India-China armed conflict in 1962, the Government imposed a State of Emergency and has continued for full over 3½ years after the Chinese armies had withdrawn and declared cease-fire. The entire country recognises today that this state of emergency and the extra-ordinary powers under it have been utilised by the Government not for the defence and security of the country, but in defence of the profits and loot of the people by the monopolists, big landlords, hoarders and blackmarketeers. The working class has to bear the brunt of the diabolical attacks under these emergency powers. Its leaders and active workers were the worst victims, having had to face prolonged detention. In every State during this period, trade union leaders were immediately detained under the D.I.R. in an attempt to decapitate the striking workers, render the strike leaderless and break the strike.

Undeterred by the repressive measures of the Government, the working class resisted all the attacks of the employers with firm determination and unions affiliated to AITUC played a notable role in these struggles. During this period the Indian workers launched stubborn struggles whose sweep was unprecedented. Some of the struggles resulted in snatching concessions from the employers and the Government.

The historic Bombay Bandh of August 1963 against rising prices and taxes focussed the attention of the entire nation on the utter unreliability of the index numbers. The strike forced the Government to admit, though half-heartedly, that the price index was faulty and an expert committee was appointed to rectify it. A similar struggle later developed in Ahmedabad and the citadel of INTUC was cracked into pieces by successful observance of Ahmedabad Bandh. The Bandh action became a common form of struggle in which working class along with other sections of the people registered their united protest against the policies of the Government.

The longdrawn strike struggle of the Port and Dock workers of Goa braving application of D.I.R. and police firing showed a new rising mood of the Indian workers. The bitter strike struggles of Barauni Oil Refinery and Bhopal Heavy Electricals workers witnessed the anti-labour policy of the Government in all its nakedness. The industrial relations in public sector undertaking are the worst in the country since Trade Union rights are virtually suppressed with the iron hand of the State. The two strikes have shown that repressive measures cannot suppress the unity of the workers.

Another notable struggle in this period was that of Jay Engineering workers of Calcutta which lasted for 6 months. They showed their readiness to give long drawn battles if employers refuse to talk sense. The Tarapore Atomic Energy workers gave a glorious fight against the U.S. Contractors firm. The Engineering workers in Bombay and West Bengal fought many strike struggles for Bonus and against retrenchment and closures.

The strike of the two lakh textile workers of Bombay for Bonus and other demands had repercussions all over the country and the fictitious representative character of the INTUC was thoroughly exposed.

The united struggles of L.I.C. employees and oil workers against the introduction of electronic computers has given rise to a nationwide campaign against automation involving trade unions of various affiliations. The struggles of N.G.O. employees for better emoluments and the Central and State Government employees for a higher quantum of D.A. have assumed new heights.

The emergence of Rashtriya Sangram Samiti as an organ of mass struggle reflects a new urge for unity among the working class for bitter struggles on common demands. In West Bengal Rashtriya Sangram Samiti has initiated mighty class battles on burning issues of the workers. This example is worth emulating.

The working class has taken leading role in the recent food struggles in different parts of the country. Statewide strikes and hartals were organised in Kerala, Bihar and Bengal. The workers and people of Bengal have successfully organised two Statewide hartals and General Strikes in a period of one month which has inspired the whole country. The Statewide strike in Maharashtra on the issue of textile crisis was also a notable mass action during this period.

The period ahead will see still greater battles. While the working class and Trade Unions have to prepare themselves to face

up to still greater trials in defence of and to advance its own interests, it will have to play a still greater role in rallying the people for sustained and determined struggles against the basic policies of the Government. In every struggle, the working class should realise that the attacks on the working class are nothing but inseparable part of the basic policies of the Government. So long as these policies remain, the working class will have to face still greater and more ferocious attacks on its standards and rights. In fact, the foreign monopolists who are being wooed to invest their capital will demand such attacks on the working class and Trade Unions and the Government can be depended upon to concede these demands. Through its leading role in such struggles of the entire people the working class will have to become the leader of the battle for democracy, progress and real independence.

In order to fulfil this role, organisation of the Trade Unions has got to be immensely strengthened. Today, despite the boosting up of the INTUC by Government and employers' patronage, the INTUC has lost and is losing its influence among the workers. Precisely at such a time, it is unfortunate that in many unions affiliated to the AITUC, rivalries have broken up and rival unions function. This disunity is not insurmountable. The AITUC in the past have offered to create a single union for each industry provided democratic elections and proportional representation was guaranteed on the same principles. The AITUC can bring about unity among those unions. No time should be lost in effecting such unity.

The bourgeois press is full of news about the possible split in the AITUC. Whatever may be their wishful thinking, permit me to make a categorical declaration on behalf of all of you that despite serious differences among the ranks of AITUC, the delegates of this session will see that every effort is made to preserve the organisational unity of the AITUC. The desire of unity among the AITUC ranks is so great that no disruptive effort will bear any fruit.

Comrades ! Let us pledge to settle all the differences amongst us in a dispassionate manner and give a fitting reply to all the machination of the bourgeoisie to create dissensions in the AITUC. Let us reunite all the Unions under the banner of AITUC which have split during the recent past and ensure democratic functioning of the organisation. The need for unity in the AITUC was never so great as to-day, when the working class is in the thick of struggles against ferocious offensive of the big bourgeoisie. AITUC witnessed several splits in the past and we must learn from the bitter experience of those splits. Despite difficulties, I have no doubt that the delegates will rise to the occasion and see that AITUC will emerge stronger as a weapon of class struggle during this session.

Our country has had to face two military conflicts — one with China and another with Pakistan. Experience has shown that our dispute on the border with China or the dispute with Pakistan over Kashmir cannot be solved militarily. The Tashkant agreement gives the direction in which these disputes should be attempted to be solved.

The country cannot afford the continuation of the present cold war with China, entailing heavy military expenditure on the country. It is therefore of utmost importance that our Government takes the initiative in initiating talks with China in the same spirit as was evidenced in Tashkant with a view to finally resolve the border dispute in an honourable way. I am sure that the Chinese people and Government will reciprocate such initiative.

Comrades, we cannot shut our eyes and keep quiet to the machinations of imperialism, and chiefly the U. S. imperialists. Alarmed at the onward march of the peoples and States of Asia and Africa, they strive by subterfuge to subvert the States which refuse to mortgage their country and people to the U. S. imperialists. Already they have succeeded in subverting popular regimes in the Congo, Iraq, Indonesia and Ghana and are seeking to enthrone puppet regimes. In Vietnam they have unleashed a dirty war against the entire people. For over 10 years they are conducting the war of aggression against the brave people of Vietnam. They have surpassed the fascists in their fiendishness. They have not shrunk from any brutality — use of gas, bombing of civilians, burning of villages, burning of crops and poisoning of water in order to cow down the Vietnamese people into submission.

Despite this barbarous aggression with superior weapons, the people of Vietnam are not terrorised and are inflicting defeat after defeat on the aggressors. By their undaunted and heroic struggles the Vietnamese people have written a page in the history of the freedom struggles the world over, which will shine in all its glory and splendour so long as humanity lasts on earth. I have no doubt that Vietnamese people will ultimately succeed in driving the U.S., satellite and other troops from the soil of great Vietnam.

The Indian working class must raise its powerful voice in support of the Vietnamese people. This it must do, not merely as a matter of its international duty, but in its own interests and in the interest of the Indian people. We have seen how the U. S. imperialists are daily seeking to get themselves entrenched in the economy and political life of our country. The battle against the U. S. impe-

realists is a battle common to all peoples who aspire for a new life of peace and prosperity for themselves.

In its struggle for a better life the Indian working class will certainly have whole-hearted support and solidarity of millions of workers rallied under the banner of World Federation of Trade Unions. The AITUC as an affiliate of the mighty W.F.T.U. will not lag behind in mobilising Indian workers in still greater numbers to participate in the world wide struggle that is being waged against neo-colonialism and for national liberation and world peace.

Comrades, I have referred to only a few of the struggles of the working class during this period under review. But hundreds of struggles have been waged throughout the country. The Indian working class has given new proof of its fighting capacity. No repression, no jailing of the leadership, no threat of detention under lawless laws, no emergency, no bullets could hold back the rising wave of militant working class actions. The working class has thrown up new leaders from its own sons and daughters who have exhibited amazing capacity for organisation and leadership, where mighty actions have given inspiration and confidence to all sections of the Indian people. Let the ruling classes beware of the new awakening and consciousness and militancy of the working class. On them is cast the glorious role of leading the entire Indian people for real democracy and socialism. I have no doubt that our class will fulfil this role with honour and bring glory to the A.I.T.U.C.

Long live All India Trade Union Congress !

Long live World Federation of Trade Unions !

Working men of all lands unite !

Address

By **BROTHER RENATO BITOSSI**

President, World Federation of Trade Unions

Dear Brothers and Sisters,

Let me, first of all, on behalf of the World Federation of Trade Unions which unites 138 million workers on all continents, extend to you and your Congress our warmest fraternal greetings.

The World Federation of Trade Unions is aware of the fact that your country was for nearly 200 years ruled by the British imperialists. until it gained its independence in 1947. The colonial rulers oppressed your people, denied them their democratic rights, suppressed the trade union movement — in fact, barred all cultural, social and economic development of your people and country. The working class throughout the world is well aware of the bitter struggle waged by the workers and the people of India against British imperialist rule to win their national independence. It also knows that the trade union movement of your country made a big contribution to the success of the liberation struggle.

The World Federation of Trade Unions has always supported the struggles of the peoples everywhere — in Asia, Africa and Latin America, against colonialism and imperialism, for freedom, peace, democracy and social progress.

The World Federation of Trade Unions is convinced that only strong united action by the working class, by the workers of the whole world, by the national liberation movement and by all peace-loving people can defeat the imperialist policy of aggression and avert the danger of a terrible catastrophe.

It is with these aims in view that the World Federation of Trade Unions took the initiative in organising a broadbased International Trade Union Committee for Solidarity with the Workers and People of Algeria when they were carrying on their heroic battle for national liberation. Towards the same end, the World Federation of Trade Unions has taken the initiative in forming an International Trade Union Committee for Solidarity with the Workers and Peoples of South Africa and Aden.

The 6th World Trade Union Congress which was held recently in Warsaw from October 8 to 22 further reiterated its full support for this struggle of the peoples everywhere. The Sixth World Trade Union Congress was a trade union event of great international and historical importance. Over 159 million workers were represented from all corners of the world, including more than 20 million workers from trade union organisations not affiliated to the WFTU.

The 6th World Trade Union Congress underlined the fact that the workers, their trade union organisations and the peoples of the world had won far-reaching victories in their fight to free themselves from the colonial yoke and that the colonial world is shrinking systematically.

Their victories are the outcome of the heroic and united struggles, actively supported by the successes and the policy of peace of the socialist camp and by international solidarity of the workers and trade unions in all countries.

The 6th World Trade Union Congress warned, however, that despite the heavy defeats and disintegration of the colonial system, the colonialists refuse to abandon their domination. The aggressive actions by the imperialists in various parts of the world confirm this. The U. S. imperialist war of intervention in South Vietnam against the national liberation struggle of the South Vietnamese people, its acts of war against the Democratic Republic of Vietnam, its continuance of the economic blockade of Cuba, its armed intervention in the Dominican Republic, are evidence of this.

The imperialists are seeking to maintain their positions by also adopting a more complex instrument of domination, known as neo-colonialism. Neo-colonialism, at the present stage, corresponds to the international development of the monopolies which are aiming at collectively exploiting, for their own profit, the developing countries. In this, the American monopolies and the U. S. government, as the worst enemies of the peoples, are playing an increasingly harmful role and resort to more and more disgusting methods with the aim of establishing their agents in power in the developing countries.

In addition, the American, French, British and West German monopolies are exploiting the wealth of developing countries; they are hatching plots and are obstructing the progress of these countries towards a better life and complete independence. That is the essential aim of the so-called plans for the economic, technical and military aid by the imperialist countries to the developing countries.

Nationalisation of key sectors of economy, especially of foreign capital and investments in developing countries, while strengthening the independent development of these countries' economies, hits both at the neo-colonialist plots of foreign monopolies and at the local vested interests and monopoly capital exploiting the workers in their selfish interests.

Against this alliance of the foreign monopolies and certain privileged sectors and vested interests in developing countries, the joint actions of the workers, both in capitalist and developing countries, become essential. It is with a view to developing these joint actions that the WFTU took the initiative in setting up the World Trade Union Committee for Consultation and United Action against the Monopolies. Its two plenary conferences, already held, in December 1963 and December 1964 were broadbased and drew representatives from affiliated organisations of the WFTU as well as from non-affiliated and independent trade union organisations. These conferences unanimously came to the conclusion, and now reaffirmed by the 6th World Trade Union Congress, that in the developing countries' struggle for economic and social progress, the liquidation of neo-colonialist economic relations is essential. This means eliminating the direct grip of monopoly investments, ending discriminatory trade, ending the monopoly domination in shipping, finance, insurance, in the handling of trade and other forms of monopoly influence and exploitation in these countries. The anti-monopolies committee has also decided to convene a conference in December this year on the expansion of world trade in order to bring about an equitable solution and expansion without discrimination of world trade, which would be of great assistance to the economies of the developing countries.

Neo-colonialism also relies on military blocs and establishment of military bases in other countries for alleged defence purposes. This goes for NATO, CENTO and SEATO. The recent Japan-South Korea Treaty is also the type of anti-democratic and militaristic alliance being concluded in the Far East under the direction of the American imperialists. The WFTU considers the establishment of imperialist military bases on other people's lands as transgression of the independence of peoples of these countries and demands their abolition.

These concealed and open economic and military policies of neo-colonialists and their allies, the reactionary circles and feudalism at home, have adverse consequences: industrial backwardness, resistance to democratic land reform, a drop in the living standards of the entire population, unemployment, anti-trade union and anti-democratic measures.

The WFTU is fully aware of the problem of food production and hunger in the developing countries, not least in India itself. We believe that in order to ease this distressing situation, it is necessary, first and foremost, to strengthen unity of all the workers so that their trade union becomes the instrument for action and struggle that will allow them, first to weaken, and then to put an end to the rule of monopolies and of profiteers, who are taking advantage of the misery of the people.

This is true both at national and international level. The active solidarity of the workers who are struggling hard against the exploitation of monopoly capitalism, on the one hand; the fraternal help of the workers in the socialist world, who are engaged in the construction of a new society, on the other hand, give a concrete evidence of the feelings of the working class of the world towards the peoples of developing countries.

The warm support that the workers in the capitalist world bring to the struggle for national liberation and the policy of friendship of the socialist countries in the form of invaluable economic and technical aid, given free of any political or other conditions, based on respect for national sovereignty, equality and mutual benefits, have played a basic role in the struggle of the developing countries for their total independence.

You know from your own experience the truth of this genuine friendship and sincere fraternal help being given to your country and people by the socialist countries, particularly the Soviet Union, on a massive scale, to build and strengthen your public sector of industry, especially in respect to the basic industries, in this sector.

Dear Brothers and Sisters, the balance of forces today is decidedly in favour of those who are fighting for peace, freedom and progress and is daily growing. The policy of the imperialists, above all, of American imperialists who have assigned to themselves the role of the international gendarme against the national liberation movements and forces of progress, is doomed to failure. The victories already won by the forces of peace and freedom against the warmongering and reactionary policies of the imperialists go to prove this.

The fight for peace, peaceful co-existence and for universal and total disarmament, the WFTU believes, strengthens the struggles for national liberation as well and creates favourable conditions

for the consolidation of national independence and reconstruction of national economies of the countries which have already won independence. This fight, however, in no case means collaboration or compromise in the workers' fight against the capitalists and monopolists, in their fight against exploitation and for their complete economic and social emancipation.

However, an essential condition to defeat forces of war and reaction, imperialism, colonialism and neo-colonialism, to defend peace, consolidate independence and develop national economy on an independent path, to better the life and working conditions of the workers and people, is the unity of the working class and its alliance with other sections of the toiling people.

The realisation of this fact has led to the tremendous growth of workers' unity these past few years. United trade union centres have been formed in many countries. On a continental scale, decisive steps have been taken. The Trade Union Unity Congress of Latin American workers met in January 1964. The Second Congress of the All-African Trade Union Federation, which also met in 1964, was an important step towards stronger unity of the African trade union movement. The Tri-Continental Conference held in Havana played a vital role in cementing the unity of the anti-imperialist forces.

On the continent of Europe, there is a growing trend towards united action between trade union centres with different affiliations. The WFTU welcomes this as, we believe, it is of the utmost importance in the fight against the monopolies and the governments which assist them. We sincerely hope and believe that the Indian workers will also be able to unite around their common demands. The AITUC has played a vital part in stimulating unity in the past and we know that it will continue to do so.

The WFTU welcomes and supports all efforts and actions for workers' unity. Division in the trade union movement helps only the exploiters, the monopolists, the neo-colonialists and the reactionary forces. It is necessary for the workers to build their unity on their common demands and interests, irrespective of nationality, race, colour, religion, origin, language or political affiliation. It is only the exploiters and the reactionaries who utilise these factors in splitting the workers in order to weaken and disrupt their fight against exploitation, for economic and social emancipation.

The WFTU is aware of the many gains that the Indian workers have made during the past years through their innumerable strug-

gles, and more recently, especially in the organised sector of industry for securing the right to get dearness (cost of living) allowance added to their wages in proportion to the rise in the cost of living; and the right to get a profit-sharing bonus every year as also an addition to their wages.

The WFTU is also aware of the series of struggles that the workers, led by your great organisation, the All-India Trade Union Congress, are today carrying on to defend and consolidate those gains and to make further advances. The recent widespread general strikes in various parts of your country and involving millions of workers, clearly demonstrated the growing unity of the workers and trade unions, irrespective of affiliation, during these struggles, in alliance with other sections of the people. In all this, the AITUC and its unions have played a key role, and the wide upsurge of the workers in India in defence of their rights and for their demands is an indication of their increasing militancy. We are happy to observe that more sections of workers and people — middle-class employees, doctors, professors, university and school teachers, even small traders and businessmen are being drawn into the orbit of this upsurge. We have particularly noted the recent successful General Strike of 200,000 textile workers in your great industrial city of Bombay. Please accept our congratulations that one of your affiliated unions, under the able leadership of Brother Dange, has won this strike in the face of the hostility of the employers.

The hundreds of meetings and demonstrations held by the Indian workers and people against the American aggressors in Vietnam show their firm solidarity with the Vietnamese people's fight for their national liberation. An end to American aggression will defeat the imperialist danger to peace in South East Asia and serve the cause of world peace.

We know that the Indian workers are deeply interested in world peace. The AITUC is an active fighter for this cause. The Tashkent Agreement ending the war between India and Pakistan has opened a new perspective of peaceful and good-neighbourly relations between the two countries.

An end to the division of the trade union movement and the establishment of a united workers' front on the basis of a united and anti-imperialist programme, the WFTU is convinced, are not only a guarantee of the triumph of the workers' demands but also the success of their struggle for national independence, democracy and social progress and peace.

The WFTU is confident that the Indian workers will march forward on the road to unity in their struggles for peace, economic and social progress and for a better and happier life.

The WFTU wishes you all success in this struggle.

Long live the All-India Trade Union Congress !

Long live the World Federation of Trade Unions !

Long live the unity of the international working class !

Long live world peace !

Address

By **K. A. GUSEINOV**

*Secretary, All-Union Central Council of Trade Unions
of the U.S.S.R.*

Dear comrades and friends,

Permit me on behalf of the trade unions and working people of the Soviet Union to convey to you, the delegates of the session and through you to all members of the All-India Trade Union Congress our warmest fraternal greetings.

Allow me also to extend sincere greetings to the trade union delegations from other countries present at your Session, and Comrade Bitossi, President of the World Federation of Trade Unions, the well-known leader of the international labour movement.

The All-Union Central Council of Trade Unions has accepted with gratitude your invitation to send a delegation of Soviet trade unions to your session. We regard this invitation as another manifestation of the traditional friendship and cooperation between our trade union centres and between the working people of the Soviet Union and India.

Dear Comrades, Soviet working people are following with great attention the struggle of the All-India Trade Union Congress for the rights and interests of the Indian working people, for working class unity, for democracy, peace and social progress. The AITUC genuinely stands for resolute struggle against imperialism and reaction, and support for the national liberation movement. The AITUC's genuinely class and internationalist position has ensured it a deserved respect of the masses of the Indian working people. The AITUC also commands great respect in the international trade union movement in which it comes out as one of the founders and active members of the World Federation of Trade Unions, as a militant detachment of the international working class.

The class interests of working people are inseparable from the struggle for national independence and stable peace, against colonialism and neo-colonialism, against the imperialist policy of setting

one people against another, of fanning racial, national and religious strife, of economic and political pressure, blackmail and military threats. The AITUC is resolutely exposing these provocative actions of the imperialists and their agents, it is making its weighty contribution to the struggle for the unity of action of the working class and has repeatedly headed mass militant action by Indian working people.

As to the Soviet people, everybody knows about the extensive and effective support and aid rendered by the Soviet Union to the developing countries, including India, in building up their national economy; to the struggling peoples in winning their independence and rebuffing attacks by imperialist forces; to the forces of democracy and progress in their hard struggle against the designs of the sinister forces of reaction, against provocations, aggression and war.

Thus we are in one rank with you in this world anti-imperialist and general democratic movement of our time.

Over 48 years ago the working people in our country took power into their own hands and put an end for ever to the reign of oppression, rightlessness and poverty. In the years of Soviet power the people of our country have scored wonderful successes in all fields of economic, social and cultural life. Our people is now solving with inspiration the tasks of economic development, is creating the material and technical basis of communism. The achievements of Soviet science and engineering are known to the whole world. Hundreds of new big industrial enterprises are commissioned annually in our country. Plans of developing industry, modernising it, of providing it with more power, of mechanising and automating it are being successfully fulfilled. Important measures are being taken for the further development of agriculture; it is being supplied with an increasing amount of machinery; irrigation projects are being carried out on a large scale and the latest achievements of agricultural science are increasingly applied in practice.

The Soviet people's living standards are growing on the basis of successful economic development. Housing and civic construction is going on on a huge scale, social insurance is being improved, Public health and education systems are being further improved. The working day has been reduced to 6-7 hours, wages have also been raised considerably and prices are systematically lowered.

1965 is over: it was the last year of the Seven-Year economic development plan of the USSR (1959-1965). The results of the fulfilment of the plan have been summed up, a programme for the

further development for the next five years has been outlined. What are the major results of the last seven years and what is in store for the Soviet people?

In the last seven years industrial output increased by 84 per cent, capital construction by 49 per cent and freight haulage in transport by 72 per cent, the volume of agricultural produce continued to grow.

The increase in the national income which rose by 53 per cent made it possible to take a number of important measures to improve living standards. The average monthly wages of industrial and office workers went up by 21 per cent. Almost 17 million flats and cottages were built in town and country. There was a reduction of prices of consumer goods.

The directives for the new five-year plan, adopted by the recently held 23rd Congress of the Communist Party of the Soviet Union, envisages a new upsurge in the development of our country along the path to communism.

The new five-year plan of the USSR for 1966-1970 envisages the continued development of all branches of our economy which will lead to substantial improvements in our people's living standard. Real earnings are to go up by 30 per cent (per head of population). The minimum wage will be increased during the five years. At the same time rates and salaries of factory and office workers in the middle brackets will be raised. The plan provides for continuing the abolition and reduction of taxes on wages of some categories of factory and office workers. It is also planned to raise the old age pension minimum and to take other measures at improving and developing the entire social security scheme.

An important socio-economic measure in the new five-year plan is the transfer to the five-day working week with two free days.

The housing programme will be further expanded and some 65 million people will move into new houses and improve their housing conditions.

Such are some of the main tasks of the plan. It is a plan of the astounding development of our country and further improvement in the living standards of the Soviet people. It is but natural that Soviet trade unions fully support this plan, and they will do their best to see that it is successfully fulfilled.

Soviet trade unions which have a membership of about 80 million are playing an important role in developing the country's economy.

All the important political, economic and cultural undertakings in our country are carried out with an active and direct participation of the trade unions. Soviet trade unions participate in planning and managing the national economy, exercise control over the state of safety techniques and see that labour legislation is observed, they are in charge of social insurance and have a ramified network of cultural and health and rest institutions.

Concern for man, for his living and working conditions is the prime duty of Soviet trade unions which have the necessary rights and means for this. Thus, the management cannot dismiss an employee without the consent of the trade union organisation. The factory and plant trade union committees have the final say in the settlement of labour disputes between the management and the workers. Officials at enterprises and institutions are appointed with due regard for the opinion of the trade union organisations which have the right to raise the question of dismissing or punishing officials (managers), if they fail to fulfil their obligations under the collective agreements, violate labour legislation or have forfeited the trust of the workers.

By their successes in economic construction, in raising the living standards of the people, in developing engineering, science and culture, the Soviet people are demonstrating before the whole world the advantages of the socialist system—a system where there is no place for exploitation of man by man, for poverty, unemployment, national strife and other attributions of capitalist society.

The influence of socialist ideas on the course of world development is growing with every year. The main tendency of world development in present conditions is the strengthening of the positions of socialism, the upsurge of the national liberation and international workers' movements, the growth of the forces struggling against imperialism, for peace, democracy and social progress.

Imperialism is frenziedly trying to oppose the march of history. The world reaction and its main bulwark—American imperialism—are taking action against the socialist countries, against the countries that have freed themselves from colonial oppression, against the peoples fighting for their liberation.

American imperialists with their aircraft carriers, marines and paratroopers appear wherever the peoples are rising to the struggle

in the defence of their freedom and independence, against venal cliques and bloody anti-popular regimes and are steeping whole countries in blood.

They are going further and further in their reckless policy in Vietnam. In their futile rage over their failures and defeats in South Vietnam the American imperialists have embarked on the road of direct aggression against the Democratic Republic of Vietnam.

The crimes of the American imperialists evoke the indignation of millions of people in all continents. The peoples of the world brand with infamy the crimes of the United States brass and demand an end to the criminal American aggression in Vietnam, which is jeopardising world peace.

True to their international duty, Soviet people are giving the Vietnamese people fraternal support and real aid in its just struggle. They resolutely demand the withdrawal of American troops from South Vietnam, an end to the aggression against the Democratic Republic of Vietnam and the encroachments on its sovereignty.

American imperialism is rudely interfering in the domestic affairs of sovereign states. Provocations against the heroic people of revolutionary Cuba are also continuing.

Another threat to universal peace today is the policy promoted by the ruling circles of West Germany. The stubborn striving of the Bonn revanchists to come into possession of nuclear weapons cannot but evoke feelings of alarm and protest on the part of all those who treasure the interests of security and peace in Europe and in the whole world.

We firmly believe that the recent hostilities on the Indo-Pak border were not in the interests of either the Pakistani or Indian workers. They benefited only the forces of reaction and imperialism.

The Soviet workers and people in particular hailed the Tashkent Declaration, that ended the hostilities on Indo-Pak border and opened prospects of friendly, good-neighbour and peaceful relations between these two countries.

Recent events indicate a growing activity of the aggressive force of imperialist states, their striving to create ever new hot-

beds of tension, to resort to economic, political and military pressure on the peoples of the world in order to slow down the process of social and national liberation.

In this connection particular importance is acquired by the task of uniting and rallying the international working class, all working people, in the struggle against the intrigues of imperialism, for the strengthening of the cause of peace, against the threat of a thermonuclear war. The Sixth World Trade Union Congress held in Warsaw in October 1965 vividly proved the growing realisation by masses of working people of the need of unity of action and their readiness to oppose a mighty united front of the working class to the alliance of forces of imperialism and reaction.

Dear Comrades,

The past years were full of important events which had directly concerned the vital interests of the working people of India. At the same time these were years of many glorious actions by the Indian working people, years of class battles in the course of which the AITUC had grown and strengthened.

Especially gladdening is the obvious fact that you have emerged from these serious trials even more tempered, enriched by experience, strong in spirits, true to the glorious militant traditions of the AITUC. The All-India Trade Union Congress—it is you who now sit in this hall, it is your comrades who have sent you to this Session, it is all those who have helped to create the AITUC and on whom the further strengthening of its ranks, the growth of its strength and influence among the masses depends, I would like to wish you wholeheartedly every success in this. The Soviet trade unions warmly greet all members of the AITUC and assure them of their fraternal solidarity and friendship.

In conclusion I would like to read out the AUCCTU's message of greetings to the Session.

TO THE TWENTY-SEVENTH SESSION OF THE ALL-INDIA TRADE UNION CONGRESS

The All-Union Central Council of Trade Unions on behalf of factory and office workers of the USSR sends its warmest fraternal greetings to the delegates of the Twenty-Seventh Session and through them to all members of the All-India Trade Union Congress.

Decisive struggles led by the All-India Trade Union Congress in defence of Indian workers' interests, for trade union rights and democratic liberties against the intrigues of reaction and imperialism, for peace and social progress have won the AITUC well deserved prestige in the Indian as well as in the international trade union movement.

The All-Union Central Council of Trade Unions is gratified to note that the relations of friendship and cooperation have been established between the All-India Trade Union Congress and the Soviet Trade Unions and expresses its desire to further promote the strengthening and development of these relations.

The Soviet working people most sincerely wish members of the All-India Trade Union Congress new successes in their struggle for better conditions of life, for trade union unity, democracy and social progress, against the forces of imperialism and war, for peace and friendship among all nations.

Long live the All-India Trade Union Congress !

Long live the fraternal friendship and cooperation of the working people of India and the USSR !

We are publishing in this volume the draft report given by the General Secretary, Com. S. A. Dange to the 27th session of the Congress and later adopted by it, including the amendments, which he accepted in his reply to the debate and which are incorporated in the draft, as adopted.

This draft will be finalised by the new Working Committee in accordance with the following resolution of the session :

RESOLUTION

The 27th Session of the All India Trade Union Congress having discussed the report of the General Secretary and having heard his reply to the debate adopts the Report, and asks the new Working Committee to publish the Report within two months after amending and editing it in the light of the discussions held at this Congress.

All-India Trade Union Congress

27th SESSION

Bombay

DRAFT REPORT

by

Com. S. A. DANGE

General Secretary

I

International Situation

As a working class organisation, we look at events at home and abroad from world outlook of proletarian internationalism. The events abroad, the life of the working people, their successes and failures are as much a part of our life as theirs. From this standpoint, what can be said about the international situation and its main features?

The first main feature is that the world socialist system as a whole has become stronger in its economic and political might, vis-a-vis the world capitalist-imperialist system. In the main struggle, as between the forces of socialism and the forces of capitalism on world scale, it is the forces of socialism that have advanced and not the forces of imperialism.

The leading force in the world socialist system and the world socialist forces is the successes of the biggest and the first socialist state in the world, that is, the Soviet Union, in socialist construction. By their advance in industry, in engineering, science and technology and education, they have not only built prosperity for themselves but have become a great positive factor of help to the newly-liberated countries, who take to building an independent economy and life of their own to overcome their backwardness, a legacy left over by imperialism. Their aid to the fight against imperialism and to the national revolutionary forces is acknowledged by all those countries, who are fighting in the anti-imperialist front.

The share of the socialist production in the world total has risen and the share of imperialist system has relatively fallen.

While the soft-landing on the moon and the orbiting of the satellite round the moon and sending out of the thrilling musical tunes of the revolutionary song of the *Internationale* from space shows the successes and advance of Soviet science, the introduction of the five-day, forty-hour week in Soviet industry, the new advance in wages and standards of living, testify to the successes on the economic front, which the trade unions there have welcomed with great satisfaction.

The successes of the Soviet Union are not an isolated phenomenon. All the countries of socialism have advanced in socialist

construction, at varying rates, including the biggest socialist country of Asia, that is, People's Republic of China.

No country of socialism has suffered from unemployment, inflation, rise in prices and scarcity or any of the ills, which afflict the working people in capitalist countries. Some countries of socialism may not be as showy as America or the other countries of the imperialist system like Britain or West Germany in motor cars and fountain pens or nylons. But they have a high standard of living and a life of high social security. Housing of the working people which is a crying scandal in all the capitalist countries of the world has attained astounding proportions in the socialist world.

When we say this, the critics of socialism and the science of socialist economy turn round and point out to the shortcomings of the growth of the socialist countries.

In India, especially where our ruling class and its Congress Party is engaged in wooing U.S. imperialism for supplies of wheat, the critics throw at us the question : If socialism is so superior and successful, why can they not supply us wheat and who do Russia and China have to buy it from the capitalist countries ?

The London *Economist* wrote the following on March 19, 1966, on this question :

"The communists have found out that their centralised system is fine at pouring out large quantities of steel and concrete and electricity but bad at turning these into things a discriminating consumer actually wants to buy."

Forty years ago when socialist planning took its birth on Soviet soil, this organ of British monopoly capital was scoffing at it and was not prepared to admit, as it does today, that socialist economy can succeed in "pouring out large quantities of steel and electricity". Now it complains of its quality and others talk of non-abundance in agriculture, comparing it with that of the USA, Canada and Australia.

By this question, the enemies of socialism want to weaken the faith of the working class in socialism as a theory of life and successful socialist construction as a fact of life. But this attempt is futile.

The working class answers by pointing out to the gentlemen of the capitalist system that the economy of the imperialist countries is over two hundred years old. The first socialist state was

founded only in 1917 and the world socialist system came up at the end of the second world war, between 1945 and 1949.

The imperialists fattened themselves on the loot from the colonies and their richest country, U.S. imperialism never suffered from the devastation of war, in its sheltered home of vast expanses and helpful climates. Even those countries of imperialism who suffered from defeats in war like Germany and Japan were put on their feet by heavy supplies of industrial capital from U.S. Imperialism. Even during the war, a large part of their industry remained intact.

As against this, the Soviet Union suffered from two wars of devastation launched against it by the imperialists and a total blockade all through its life at the hands of the imperialists. Yet single-handedly, without bowing to imperialist aid and contrary to what some Congress leaders say, the working people of the Soviet Union built their socialist economy and brought it to a position of superiority over the U.S. imperialists in many fields. Not only no socialist country was helped by the rich capitalist countries, their economies are constantly held under the threat of imperialist aggression and war and actual war as happened in Korea in 1950 and as is happening now in Vietnam. And with all that, the socialist system has proved superior, ridding its own people of all the miseries of capitalism and helping others to do the same.

Reverting again to the question of agriculture, let us not forget the fact that even when Soviet Union or China suffered from severe droughts and failure of crops, people there did not die of famines in any area.

In the Soviet Union, particularly, the purchases of farm products from Canada and elsewhere were understood even better by the Big Business journal, *Commerce*, than many who talk of friendship with Soviet Union and get immense help from it of a vital nature for their own economic construction. In its issue dated August 28, 1965, *Commerce* has the following to report on the agreement the USSR made with Canada to purchase 187 million bushels on August 11, 1965 :

“A large part (about five million tons) of Russian wheat purchases abroad is, of course, on behalf of other countries, namely Cuba, UAR and some East European countries. This year, there is one more significant development which has necessitated heavy wheat purchases by Russia. The Soviet authorities have increased meat prices (paid to the farmers by the State — SAD) thereby

encouraging farmers to divert grains as feed-stuff, which is profitable. They have also scaled down the target for grain procurement from 65 million tons in 1964 to 54 million tons in 1965." (*Commerce*, August 28, 1955).

Moreover, the critics of the socialist system ought to remember that in order to buy the supplies, the socialist countries or for that matter even a country like the UAR do not surrender their internal or external policies to the dictates of the World Bank of foreign monopoly capital.

If the world socialist system gets a few more years of peace and freedom from the imperialist threats of war, it will outstrip the world capitalist system, quantitatively and qualitatively in every sphere of economic advance, because for one thing, the growth rates of socialist economy are as a whole high and uninterrupted while those of the capitalist system are lower, and vitiated by the interruption of crises, which are inherent in capitalism. The working people in India will not give up their growing belief in scientific socialism as the best form of life and social system, and the leadership of the working-class as the instrument to attain it, despite all capitalist propaganda aimed at corrupting that faith.

The second feature of the international situation is that the system of world imperialism continues to suffer from the economic and political crises that are inherent in the system. The crisis is not reflected, in the old way, by depression, fall in prices and glut in the market. In fact, the industrial base of countries like the USA, Britain, France, West Germany, etc., is undergoing a technological revolution by means of automation. The six Common Market countries of Europe converted themselves into a vast complex of State-monopoly capital through the mechanism of the Common Market and lifting of tariff barriers. Their production had gone up considerably and they became a challenge to the American monopolies also.

While the American monopolies exported their capital to the Common Market countries to avoid the tariff barriers, they overhauled their own industrial equipment at a fast rate with new technique, which has outstripped the economy of the West European bloc.

The new industrial revolution, symbolised by the computer cybernetics, while reducing the labour cost in production, has not led to any fall in prices or cost of living of the working people.

It has only enormously multiplied the profits of the giant monopolists who alone are able to automate their production lines.

While the automated worker gets a higher wage for his higher skill and attention required under automation, the displacement of employed labour is leading to a serious crisis in the life of the working class. It is leading to mass retrenchment of workers and middle class employees, which will affect the imperialists, not so much in the economic field as in the political.

The proponents of U.S. imperialist economy in our country speak a lot of its boom, its might, its great volume of production. But they do not tell us what happens to the workers, who are the main bulk of the population.

Speaking in March 1963, President Kennedy said :

"I think the number one domestic concern of the U.S. is going to be in the 1960s — jobs, jobs for a tidal wave of men and women who are going to be hitting our labour market in the next five years.... Some people may think it strange that jobs which was the great issue of the 'thirties, when we were in a depression, should also be the great concern of the 'sixties, when we enjoy a relative period of economic prosperity.

"...All these trends you have seen... workers displaced by automation, school drop-outs, roaming the streets, those looking for work who have left the farm, the mine, the factory, the railroad or the distressed areas. Some 14 million Americans had some unemployment in 1962 and 28% of last year's unemployed were out of work 15 weeks on average... This nation must do better than that."

The proponents of American ideology in life and living, of American industrial might, know-how, automation and all that, hide the anti-people aspect of the development of monopoly capital in, the richest country of the imperialist bloc. Some intellectuals and governmental leaders and officials dazzled by the dollar, want India to follow the American way. Even before India has had a firm industrial base powerful enough to combat the advances of neo-colonialism, the monopolists in our country want automation. And in this, they hide the truth from our working class and trade unions, that in the home of automation and computers, the working people are suffering and rising in strike struggles.

And in this misery, the Negro workers suffer more than the white workers. In June 1963, when five per cent of white males

were unemployed, 11.2 per cent of the Negro males were jobless. This is one of the causes for the great battle for civil rights being fought by the Negro people in this "unique democracy" of U.S. imperialism, where the racial fascists of Ku Klux Klan and others resort to bombings of churches and schools and kill even white resisters with police help.

By various manoeuvres of state intervention, U.S. imperialism has kept up its production in a boom condition. But even then, not all the productive capacity is fully used.

The vast profits made by the giant monopolies are diverted to invest in the economies of the competing West European monopolies, to buying up the reactionary ruling circles in various countries, in fomenting conspiracies against those newly-liberated countries who refuse to take the road of American domination and monopoly capitalism.

And when all the billions sunk in making America the supreme neo-colonial power fail to achieve the desired results, U.S. imperialism takes to aggressive wars against freedom-loving peoples.

All the war pacts of the imperialists such as the NATO, the CENTO and the SEATO are on the verge of collapse due to the growing inner-contradictions among the imperialists. Unable to achieve their aims that way, the U.S. imperialists are resorting to the desperate gamble of military interventions and counter-revolutionary coups to enlarge their fields of investment and exploitation in the countries of Asia, Africa and Latin America.

Blinded by their vast sources of production, their profits and their military machine, the U.S. monopolies ran to South Vietnam, where the reactionary landlord-bourgeois regime, run by military junta and factions was being successfully defeated by the revolutionary masses of South Vietnam.

The Vietnamese people had fought and defeated French imperialism, who then forced on them a partition of their country as a price of peace. It however provided that the Vietnamese people as a whole will be able to unite their country by ascertaining the will of the people by means of a peaceful election. The Geneva Agreement, which recognised the socialist Democratic Republic of North Vietnam and provided for peace and unification was violated by the U.S. imperialists, who had now replaced the French imperialists. The people of South Vietnam, after failing to secure democracy, unification and peace, took to the road of

armed struggle against the imperialist puppets and the occupation army of U.S. imperialism.

The National Liberation Front of South Vietnam rules over the major part of that country despite the presence of the American army of half a million. Thinking that the liberation forces of the South Vietnam Liberation Front will collapse militarily if the Democratic Republic of Vietnam were bombed, the U.S. imperialists launched a piratical war against the DRV by bombing its territories.

The U.S. imperialists are bound to be defeated in their aggression against Vietnam. All the socialist countries are rendering military help as asked for by the Government of the DRV. All the sympathies of the peace-loving countries are with Vietnam. Even sections of the American ruling class and American people do not approve of the war against Vietnam and want that South-East Asia be left to itself.

Inside America itself, for the first time in post-war years, a new phenomenon is seen, centring on the war in Vietnam — the beginning of a movement of resistance and struggle against the current policy of Washington, for a new role of America in the world.

The present situation can best be put in the words of Comrade NGUYEN TAI BINH, Member of the Central Committee of the National Liberation Front who, in her speech, in Moscow on April 4th said:

“The just and patriotic struggle of the people of South Vietnam has become a truly national war involving all sections of the population — peasants, workers, students, intellectuals, national bourgeoisie, Buddhists, people of all age-groups, including children and grey-haired old men. This is the chief source of the invincible strength of the people of South Vietnam, their mighty weapon which helps them to deliver ever more powerful and victorious blows. . . .

“The armed forces of the USA and its satellites found themselves in a ring of nationwide resistance. . . . In the course of 1965, we destroyed 227,500 enemy soldiers, including 19,200 American aggressors. To this should be added 36,000 men, including 16,300 American soldiers, put out of action, in the first two months of 1966. And now too, our people’s army is multiplying its military victories with each passing day. . . .

“Making use of their military bases in South Vietnam, the U.S. imperialist circles are carrying over their destructive air war

to North Vietnam, attacking an independent, sovereign state. They are intensifying their aggressive war in Laos and continuously committing acts of provocation against neutral Cambodia which is fraught with the danger of war spreading to the whole of South-east Asia and developing into a global conflict.

“It should be perfectly clear that the only condition of ensuring peace in South Vietnam is for the U.S. to withdraw its troops, recognise the South Vietnamese people’s fundamental rights defined by the Geneva agreements and recognise the National Liberation Front as the sole genuine representative of the South Vietnamese people.

“Progressive-minded people the world over invariably regarded the South Vietnamese people’s just struggle as the front-line of battle against American imperialism — the enemy of the people’s freedom and peace, and therefore, rendered us all-round assistance and support. Our people express their deep gratitude to the Soviet Union, China and other socialist countries, to the Communist Parties, independent national states, the national liberation movement, to the peaceful and freedom-loving peoples of the world for their generous assistance and support. We are also grateful to all progressive-minded Americans for their noble struggle against the aggressive war unleashed by the Johnson administration in South Vietnam.

“Addressing the Congress from this lofty rostrum we particularly wish to express the deep-felt gratitude of the South Vietnam National Liberation Front to the Communist Party of the Soviet Union and to the entire Soviet people for their whole-hearted political, moral and material support.”

The inspiring struggle of the Vietnamese people against the U.S. imperialists who are aided by the Governments of Britain, Australia, New Zealand and West Germany, has evoked support from the working class and people of all newly liberated countries of Asia, Africa and Latin America.

The Indian people and particularly the working class and trade unions have expressed solidarity and sympathy with fighting Vietnam and have demanded the withdrawal of American troops and observance of the Geneva agreement as demanded by the DRV Government and the NLF of South Vietnam. In India, in all strike meetings under the flag of the AITUC, resolutions of support to the people of Vietnam have been passed. Demonstrations against the American embassy and their visiting dignitaries have been staged from time to time and days have been

observed in accordance with the resolutions of the World Federation of Trade Unions.

Yet we have to state that the campaign for Vietnam and against U.S. imperialism has not gathered that momentum that it should.

Apart from our own weaknesses, there is also the regrettable fact that some of the left political parties and trade unions in India consider that the U.S. imperialists in Vietnam are containing Chinese "expansionism" and that the Vietnamese are merely "tools" of the Chinese Communists. And since China has adopted a posture of hostility to India, they think that it is better if the Americans fight them or beat them in Vietnam, thereby helping India in an indirect way. That the Vietnamese people have their own country, civilisation and people to defend, that the Americans in Vietnam are not fighting China but only creating a base for themselves from which they can threaten the freedom of the whole of Asia and its new independent States is completely lost sight of. The monopoly press in the country feeds this illusion in order to strengthen the influence of reactionary forces in our country, in which the U.S. imperialists help them.

While the Government of India, under Shastri, had at least mildly disapproved of the bombing of North Vietnam and asked for its "pause" as the Americans put it, the present Prime Minister in her anxiety to secure American economic aid abstained from taking even the stand of the previous government. And, in addition, she signed a statement with the U.S. imperialists agreeing to common aims with the U.S. imperialists in the matter of "containing China".

Not only does the Government of India keep silent on the barbaric atrocities of the American aggressors against the Vietnamese people. It has signally failed to play its role and discharge its duties as Chairman of the International Control Commission, which peace-loving and anti-imperialist forces throughout the world expect of India. This is because the Government of India conditioned by its dependence on U.S. aid follows a policy which in effect assists the Imperialists in their aggression and surrenders to their blackmail.

The trade unions throughout the country must launch a vigorous campaign in support of Vietnam and force the Government of India to lend unequivocal support to the demands of the Vietnamese people. The people of India must loudly proclaim

that they would rather starve than live on American wheat only to go and die for saving the U.S. imperialists in Vietnam.

The aggressive wars and military intervention of the U.S. imperialists are not limited only to Vietnam. Every movement to overthrow the neo-colonialist and reactionary regimes in any Latin American country is put down by U.S. military intervention as in the Dominican Republic or in Panama, Venezuela, etc.

The American Parliament has blatantly declared that it will intervene with military force against any attempt in any part of South America which tries to change its regime in a progressive direction.

This series of aggressive acts of the imperialists is not a sign of their growing strength and the weakening of the socialist and national liberation forces. It is a sign of the growing crisis of the imperialist system, which more and more is unable to prosper in conditions of peaceful co-existence. At the same time, its aggression is met with revolutionary resistance from all sides, which shows the growing isolation of the counter-revolutionary imperialist forces.

While pointing out the role of the U.S. imperialists as the leader of world imperialism, one must not forget that the imperialists of Britain, France, West Germany, Japan and Italy still exist and pose a threat to world peace, national freedom and socialism.

In Europe, the West German monopolists having rebuilt their industrial base with U.S. help have revived their Nazi organisations, built a strong base for wars of aggression in Europe and are trying to acquire nuclear weapons for the purpose.

But the West German imperialists have now to reckon with the German Democratic Republic, the first ever socialist state of the German people. The GDR stands as a bulwark of peace and against war. Though the India Government maintains trade relations with the GDR and gets help from its industries, it is not prepared to recognise the Government of the GDR. In this, it is bowing before the blackmail of the West German monopolists who threaten to cut off their loans and supplies, if India recognises the GDR.

The TU movement in India insists that the Government must give recognition to the GDR.

While looking at the world of the imperialists, their economic might and aggressive militarism, their threats to world peace and

freedom, we also find that the increasing intensification of the exploitation of the working class at the hands of the monopolies is forcing the workers into strike struggles to protect their rights and living.

All the countries of the imperialist bloc have been having strike struggles for higher wages, against retrenchment by automation, for reduction in hours of work and protection of TU rights.

On Christmas last year, New York was closed down by its transport workers. Though the U.S. TU leaders generally bow to the fiat of the U.S. President, who is empowered to hamstring strike action, the transport workers' leaders preferred not to surrender to the monopolists. There was also the famous shut-down of all newspapers by the printing workers. Automation, speed-up and threats to job security are showing the cracks in the system of monopoly-capital.

The same is the case in England, France and other countries.

The famous Spring campaign launched by the Sohyo called out the railway workers and others into action against Japanese monopolists.

Anti-monopoly actions of the working people are gathering in volume in the highly-advanced capitalist-imperialist countries.

Along with them, the movement of the youths and women for peace, national liberation, democracy and socialism is also forging ahead.

The third feature of the international situation is the collapse of the colonial system in Asia, Africa and Latin America.

The world revolutionary process for the liquidation of imperialism has received a very vital contribution from the collapse of the colonial system, which, except for a few areas, has almost come to an end.

But the imperialists are trying to raise, in place of the old colonialism, based on political and economic bondage of the conquered peoples, a system of neo-colonialism in which the new States formally retain their political independence and the semblance of sovereignty, but their economic growth is subverted and subjected to the influence, dictates and exploitation of the imperialist monopoly capital, with whose aid they seek to overcome their backwardness. The free developing countries of this third world and the progressive democratic forces in them have to unite and resist the offensive of monopoly capital and their political-military machina.

tions against the economic and political freedom of the newly-liberated countries.

The threat to the freedom of these countries does not lie only in the economic field.

The imperialists carry out direct interventions as in South Africa, against the liberation movements, and building new military bases East of Suez. They foment conspiracies to overthrow those regimes in the newly-liberated countries which want to follow a policy of independent development. The suppression of the progressive regime in British Guiana, of the struggle of the people in Aden, the overthrow of the Ghana Government, the encouragement to the racists of Africa to fight the African people as in Rhodesia, the continuance of Portuguese rule in their African colonies, the suppression of the Congo, Angola, etc., the continued U.S. occupation of South Korea, are some instances to show that the struggle against colonialism and neo-colonialism is not yet fully completed though the system of colonialism has finally collapsed.

The most glaring example of the reverses suffered by a newly-developing independent country at the hands of its internal reaction aided by neo-colonialist forces from outside is the counter-revolution in Indonesia. There the State power has been seized by the military junta, whose first step has been to massacre the leadership and cadres of the Communist Party and the trade unions of the SOBSI. Over two lakhs of people have lost their lives at the hands of the military junta and the reactionary fanatics of the Muslim Brotherhood organisations, who were once a part of the Nasakom national front and others, some of whom have been organised and inspired by the American CIA. Comrade Njono who was the Vice-President of the WFTU has been sentenced to death and all the unions of the SOBSI banned. Comrade Njono was our guest at the AITUC session in Coimbatore and we strongly condemn his death sentence and the massacre of his comrades-in-arms. The fate of Comrade Aidit, Chairman of the Communist Party of Indonesia, is not yet known, though it is strongly rumoured that he was shot by his captors.

The working class in India and the AITUC has conveyed messages of sympathy and solidarity to the SOBSI leadership in exile, some of whom are in the WFTU centre in Prague.

These reverses suffered by some of the developing countries are, no doubt, serious. They call for a greater cohesion and unity in the international working-class movement, and overcoming the

differences that exist in it, in order to build a still stronger anti-imperialist anti-monopoly front.

There is no doubt that the differences in the international working-class movement reduce its effectiveness in countering the reactionary moves of Imperialism.

There are also victories to record, where some of the developing countries have not only kept neo-colonialism out of their doors but have taken further steps to strengthen independence and build a progressive economy. Major reforms have been carried out in countries like United Arab Republic, Algeria, Mali, Guinea, Congo (Brazzaville) and Burma. Foreign monopolies are being driven out. Feudal estates are being confiscated and capitalist enterprises nationalised. The state sector in the economy is being enlarged, industrialisation is implemented and broad social legislation adopted in the interests of the people.

The revolutionary advance of these countries strengthens the common front of anti-imperialism and the struggle towards socialism, each contributing its special features to the general world revolutionary process.

This brief review of the international situation would be incomplete without reference to India which occupies an important place in world economy and politics.

India has been following in general a policy of peace, non-alignment and Afro-Asian solidarity, though with reservations and vacillations. But since recently with the growing strength of monopoly capital and the crisis of its capitalist economy, the ruling Congress Party and its Government are tending to lean more towards the imperialist camp and, particularly towards the USA, though it maintains friendly relations and economic cooperation with the socialist countries also. India is under high pressure from the imperialists to drag her into their neo-colonial net.

In the sphere of foreign policy, concessions are being made which weaken non-alignment particularly in its anti-Imperialist aspect.

In order to facilitate their designs, the imperialists are using the conflict that has existed between India and Pakistan and between India and China, with the border issue as the fulcrum.

It is needless to recapitulate the events of the India-China war of 1962 and the Indo-Pak war of 1965.

The India-China armistice or cessation of hostilities got stuck up in the Colombo proposals and there has been no progress in the

settlement of the dispute, which embraces the fate of vast areas in Ladakh and in the NEFA area below the MacMohan Line:

The stalemate had, in practice, resulted in each one holding his own line and living in peace with the other, with occasional notes on trespasses and the like. In fact, if anyone had taken the initiative, a peaceful settlement could have been proposed and argued on the basis of the given positions, for which enough official studies by both sides had been done and put on record.

It is obvious to anyone that the Colombo proposals are dead and gone. They cannot be said to occupy any more historical stage for a peace-treaty between the two countries.

The door to negotiations could have been opened earlier but for the Indo-Pak conflict and the unnecessary Chinese intervention in that conflict.

When the Indo-Pak war was entering a stage of cease-fire, the Chinese not only supported the Pakistan side and called for self-determination of Kashmir, that is, virtually asking for its separation from India; they even gave an ultimatum to India on the pretext that India had taken some 800 sheep of the Tibetan shepherds.

That ultimatum was clearly intended to keep the Indo-Pak war going and to prevent a cease-fire.

At the outbreak of the Indo-Pak war, there was a wave of anti-imperialist feeling in India. It arose out of the realisation that the imperialists of United States and Britain were the real power behind Pakistan's invasion and that it was American arms poured freely into Pakistan for the last several years that had enabled it to launch a war of aggression against India.

This anti-imperialist feeling was heightened more when U.S. and Britain openly showed displeasure when India took firm steps and halted the Pakistan offensive and mounted its own on the Lahore front.

The age-old tactics of imperialism to make India, Pakistan, China and others in Asia get locked in an internecine feud to the benefit of the imperialists was becoming clearly visible to the people. It was also becoming clear that the Indo-Pak war was being used by the U.S. imperialists to divert attention from their defeats in Vietnam and to make India support the U.S. aggression in Vietnam in exchange for military and economic aid.

But as soon as China joined hands with Pakistan to give an ultimatum to India, the anti-American, anti-British indignation was diverted from imperialism to this new Chinese menace. It was immediately used by the imperialists and Indian reactionaries to call for an anti-Chinese alliance with the U.S., on the basis of mutually "common goals".

But the cease-fire proposals of the United Nations which were accepted by India first and later by Pakistan and the initiative of the Soviet Union which brought the two countries together at the negotiating table in Tashkent prevented the situation from getting worse.

When the Tashkent Declaration opened the road to peace and friendship with Pakistan, it could have provided a new turn in the Indo-Chinese relations in the same spirit. But here too when China denounced the Tashkent Declaration as a step towards encircling China by the imperialists of U.S., India and the "revisionists" of Soviet Union acting in a common alliance, those who desire a peaceful settlement of the India-China dispute received a set-back.

The reactionaries in India opposed the Tashkent Declaration. They even tried to use the death of Prime Minister Shastri at Tashkent to incite anti-Soviet feelings. But they failed to evoke mass support.

The speeches of the Chinese leadership in their visit to Pakistan, which incite Pakistan to take anti-Indian postures, violate the Tashkent Declaration and continue to make claims on the Indian State of Kashmir, strengthen the hands of those in India who do not want settlement with China and push India into American arms and weaken the hands of those who want a peaceful settlement both with China and Pakistan.

While not neglecting to note this aspect of the situation and the need for vigilance in national defence, it is in the interests of the Indian people and the country as a whole to try for a peaceful settlement with China. One reason is that the existence of the feud enables the imperialists to intervene in our affairs and to draw India towards them in the name of helping her against China. Secondly, it enables the Indian reactionaries to exploit the people in various ways in the name of defence and to attack the democratic rights and liberties in the name of emergency.

The Indo-Pak conflict is now partly settled by the Tashkent Declaration and all the democratic forces in India and Pakistan

owe it to their people and the world to see that it leads to a permanent peace between our two countries.

There can be no question of new self-determination for Kashmir. India and Pakistan can settle the problem on the basis of the existing positions of the Kashmir borders and bury the conflict for ever.

The AITUC appeals to the Governments of all the three countries to meet at the highest level, directly or thru any friendly mediation and arrive at a treaty of permanent peace and friendship in the interests of the people of Asia and world peace.

The trade unions in Pakistan, both in the West and East, have been showing new life in the matter of unity and action in defence of their demands. It is also noteworthy that many popular leaders in East Pakistan are expressing publicly in favour of Indo-Pak amity. Our trade unions should develop friendly contacts in common interest with them which can be a helpful step in the translation of the Tashkent spirit. Development of trade and cultural relations also will lead to better understanding and will be a relief to the economies of both the countries, thus preparing further grounds for peaceful relations and friendship between the two countries.

The tricontinental solidarity conference of the democratic movements of Asia, Africa and Latin America which met at Havana showed the desire of the anti-imperialist masses to forge a common front of united action against imperialism and its allies. The Indian working class and the AITUC join wholeheartedly in this noble revolutionary task.

The Face of our Economy and Imperialist Threat :

When we turn our attention from the International situation to the National, it does not require much effort or complicated argument to understand it.

The economy of the country is in the grip of a severe crisis, as was never seen before. Production rates have slowed down. Food has been hoarded by profiteering vested interests and its free movement obstructed by regional interests to such an extent that millions are starving for want of supplies. The reactionary bloc of monopolists is doing everything to worsen the crisis and attack the people's livelihood in every sphere. The imperialists from abroad, particularly the U.S. imperialists are intensifying their blockade in those economic spheres, which have been dependent on them and are preparing to take over and push India into their neo-colonial preserve. The American C.I.A. is fomenting conspiracies against the democratic forces, in its usual counter-revolutionary traditions as described so well by the *New York Times* itself. The ruling Congress Party is factionally divided and has lost its bearings before the onslaughts of the imperialists from abroad and monopolists at home. It is unable even to use the tremendous economic and other help that the Socialist countries give to India in order to keep her from being blackmailed by the imperialists and to develop her economy along independent democratic lines and take the path forward to complete economic independence and well-being of the masses. Responsible Ministers, including the Prime Minister, are ordered about by the Americans, as if they were nothing but colonial puppets. Even their speeches have to be scrutinised and sanctioned by the World Bank before Parliament can hear them and decide its policies.

Those patriotic and democratic forces, who would oppose these policies and resolve the political-economic crisis by relying on the people's strength have been under attack and are not yet strong and united enough to fight the surrender of our country's economic and political independence to imperialist blackmail and monopolist betrayal.

The working-class is going into action to defend its own interests. Its leadership is aware of the danger. But its orga-

nised strength is not so big, as to be able to halt the offensive on its own. The trade unions and political parties of the working-class are divided into so many centres and groups that one loses count of them. Even then, mighty struggles are being fought to defend the people. The massive 'Bundh' actions throughout the country are gathering momentum and even scoring successes — but only small ones. A real political battle against the attack of the foreign imperialists and Indian reactionaries and the Congress Government which shields them has yet to open in right earnest. It can be done if we all unite.

Such, in a nutshell, is the National situation. Let us note, however, some of its broad features more concretely, in order to see why such a situation has arisen.

It is admitted by everyone that the Third Five Year Plan has failed and the Fourth Plan is in a freeze.

But this collapse has taken place on the background of economic growth, which has taken India forward and has changed, in some measure, the totally backward economy in which it was left by the British.

Since, however, the political and economic power is mainly and decisively in the hands of the capitalist class, neither the policies of the State apparatus nor the direction of the new economic construction could be so made as to benefit the country and its working people and develop the power of the democratic masses over the affairs of the State and the economy.

We might note some of the objective facts of economic growth, in the period 1951 to 1966.

Production in certain lines has grown as follows :

		<i>Year</i> 1950-51	<i>Year</i> 1964-65
1. Pig Iron	—Million Tonnes	1.60	6.67
2. Finished Steel	— „ „	1.04	4.43
3. Aluminium	—Thousand Tonnes	4.00	54.10
4. Copper	— „ „	7.10	9.40
5. Machine Tools	—Million Rupees	3.00	257.00
6. Bicycles	—Thousand numbers	99.00	1,442.00
7. Coal	—Million Tonnes	32.80	64.40

8. Cement	— „ „	2.73	9.79
9. Cotton Cloth	—Million Meters	4,215	7,745
10. Sugar	—Thousand Tonnes	1,124	3,260
11. Electricity (Generated)	—Million K.W.	5,107	27,880
12. Foodgrains	—Million Tonnes	54.92	88.40

Productive capacity of the country in iron and steel, machine tools, coal, copper, aluminium and oil has grown. For the first time, industrial goods which were not made in India are now being manufactured in the country with Indian capital and Indian skill. New plants for machine building are being set up. The oil industry has grown up as quite a new force in the economy of the country. Big plants for manufacturing all the essential drugs are nearing completion. We can now produce our own locomotives and wagons. The Gnats of Hindustan Aircraft — HAL — have won a name and pride for our worker and our airforce fighter. The huge new townships that have sprung up on virgin soil in various parts of the country tell us that something has been built up in the country of ours after it attained freedom of which we should be proud and glad.

Even though this growth is not much for a big country of near five hundred million, it has given birth to a new force in the life of the country and that is the working-class. The working-class has increased in size to the tune of twenty million. The growth of this potential vehicle of revolutionising the social process for the birth of a new society is the biggest contribution of the new growth in independent India.

This has to be said because the crisis which is on us and which is imposing misery on millions may give us the feeling that we are a lost nation, a country, whose people are fit for nothing, but dying in despair, a country, whose intelligentsia has no intellect and capital which has no enterprise. That would be a one-sided picture, a false picture, which will give us a wrong direction in our class-battles with the common enemy, imperialism and fail to win the workers their allies.

Even the peasantry, which has been denied the necessary freedoms, capital and its rightful ownership of land has raised production from 55 million tonnes of foodgrains in 1951 to 88 million tonnes in 1964. The working people and the working peasantry are blamed for the growth in population but food has kept pace with it though not in plenty. Even in 1965, the per

capita availability was not so low as to cause scarcity and starvation that is seen in so many places.

No doubt this is nothing compared to our needs. To raise one million tonnes of steel production to just four or five million tonnes in fifteen years is not a very creditable thing, when we find that China, with whom some people want to compete in everything, including the atom bomb, raised its production of steel from hardly a million tonnes in 1949 to 10 million tonnes in 1964 and it proposes to reach 16 million tonnes by 1970 in her new plan.

The planners and leaders of the Congress Government had made all sorts of promises and forecasts, one of which was to reach 100 million tonnes in foodgrains, and 9 million tonnes in steel. All those promises have proved a hoax. The reason is not far to seek. A capitalist system cannot fulfil an overall *social* plan of production. It can make some programmes of building this or that industrial plant but a balanced integrated plan of the whole of social economy is impossible for capitalism. And India has been building capitalism, that too in an under-developed country. Naturally a crisis and failure were inevitable unless she had changed her path.

The leadership of the ruling party, when taking one correct step always countered it by taking an opposite and incorrect step. For example they decided correctly to build a state sector of economy, heavy industry and ties of friendship with Socialist States and particularly the Soviet Union, which alone would help India to build a State sector and the most important plants of heavy industry.

In the same breath, they allowed the big bankers and monopolists to rob the country's foreign exchange for building their private sector for private profits, begged the U.S. imperialists for massive aid, tied themselves up more with the British Commonwealth, made their armaments and industrial technique dependent on imperialist supplies, and advice, spurned the Indian intelligentsia and the smaller industrialist, allowed a whole bunch of bureaucrats to man the State apparatus, and suppressed with a heavy hand the working class and those democratic forces who opposed it.

The inevitable result is the present crisis.

Let us put down here a few facts regarding our capital structure, which is the financial basis of the national economy and which today is weighing down heavily on all of us and yet is the instru-

ment which the democratic forces have to use to overcome the crisis.

In the absence of colonial loot to form the basis of our capital and the capital accumulation in the hands of the private capitalists being too small to finance big projects, the State took over the task of heavy capital investments, including those, which have to be maintained for security and social movement — such as defence factories, railways and roads etc.

Net Capital Formation out of the Budgetary Resources of the Central Government has grown as follows :

<i>Year</i>				<i>Rupees in Crores</i>
1950-51	..	..	..	98.5
1951-56	..	..	..	1,385.8
1956-61	..	..	..	3,470.0
1961-66	..	..	..	6,727.3

The modern State is no longer only a police State or organ of suppression. It engages in production, distribution, trade exchange. In part, it is, by itself, a huge company or corporation, with taxes on the people and the public debt as its main source of capital formation.

The total capital outlay of the Government of India at the end of 1965-66 stands at Rs. 6,663.28 crores. In the ten years from 1950-51, it has grown four and a half times. It is to be noted, however, that out of this sum Rs. 2,675.01 crores are put into railways alone. Nearly 71 crores are in Atomic Energy Commission, which is expected to jump to Rs. 122.13 crores next year, that is thru this year's budget. Government Companies and Corporations such as Hindustan Steel, Machine Tools, Shipping, L.L.C., Mining, Hotels etc., absorb Rs. 1,779.60 crores. Defence services, Public works, trading in foodgrains etc. take up Rs. 1,844.35 crores.

Apart from the capital formation directly under the Central Government, there are loans given by it to State Governments and private parties etc. This sum amounts to Rs. 5,427.34 crores.

Thus total capital outlay and loans advanced by Central Government amount to Rs. 12,090.62 crores in 1965-66. (Source: *Explanatory Memorandum on the Budget of the Central Government 1966-67*, pp. 85-87).

One can see what tremendous money power of expenditure and disbursements rests with the Government, the ministers, secretaries, their underlings and so on, and what an enormous source it can become for fortune building, patronage, corruption in capitalist society which is dominated by the law of private profit. It also shows what opportunities there are to serve the people.

The State sector in India was opposed by the monopolists in this country as well as abroad. They argued that if the Government could find the money by taxing the people or borrowing from abroad and from the public in India, it could as well loan it to those whose business it has been to build industries and to trade.

In the Second Plan period the policy makers of the Government took the decision to build heavy industry in the State Sector; foreign private capital and the Government of U.S.A., refused to lend money and supply the machines. But their blockade was broken when India began to obtain plants and machinery of the most advanced type and on very generous terms from the Soviet Union. Bhilai, Bokaro, Hardwar, Ranchi are witnesses to this.

Now when the State Sector has been established and it has begun to serve the interests of private capital also, their opposition has taken a new form. They want its management to be left to them and the pricing of the products of State Sector production to be so low as to yield super-profits to the monopolists, who use the products of the State Sector.

The bureaucratic management of the State Sector is in many cases corrupt and inefficient. The appointment of raw civil servants, without technical experience, with no incentives beyond their salary grades and no revolutionary zeal and brought up in bourgeois traditions has rendered many fine plants inefficient and loss-making concerns. And where the technicians or workers try to criticise or improve matters they are victimised. The result is that slowly monopolists are preparing the ground to take over the State Sector into their fold if the people do not show vigilance.

The treatment given to the workers in the State Sector is in many cases worse than in the private sector and when the workers struggle they have to face all the might of the State as an employer. After the State Sector established itself and grew in size, the AITUC in its State Sector Unions Conference decided to launch struggles to improve the conditions of the workers in these units and in this matter, make no distinction between the State and the Private sectors.

The growth rate of the State sector as well as its importance in national economy are now recognised by all. India would not have got its oil or its steel and machine tools if the policy of building the State sector had not been adopted. That policy played a progressive role in the industrialisation of the country.

And in developing the best and most important part as in oil and steel, machine building, it was socialist capital that helped, and imperialist capital which sabotaged.

It is said that State Sector capital is building capitalism as much as private capital, that it smells no better and treats the worker no better. As such, there is nothing to feel good about it and the Socialist countries, who ought to help socialism and revolution are only helping to build the forces of monopoly capital and counter-revolution. In fact, in some countries, such plants built with Soviet help were later used by the perpetrators of counter-revolutionary coups and reactionary regimes against the people, as in Iran or in Indonesia.

Socialist capital is given to a newly-liberated country to make it stand up against the onslaught of neo-colonialism and thereby enable the democratic forces to strengthen themselves and go towards social progress. Even in a capitalist country like India, it helps to fight the grabbing hands of the imperialists and the monopolists. This positive anti-imperialist, anti-monopoly aspect of the help given by socialist capital is the real revolutionary content of its aid to developing countries.

If counter-revolution and neo-colonialism capture it, it is the fault of the revolutionary democratic forces, who have failed to unite and strengthen their anti-imperialist and anti-reactionary forces. In the absence of socialist capital, India would have gone into the hands of foreign monopolists and neo-colonialists long ago. But for the big socialist world, it would have no other alternative. The existence of an 'alternative' is one of the big factors in the new epoch in strengthening independence and opening the road to new perspectives, even where the newly liberated state is in the hands of the bourgeoisie as in India. Socialist capital coming to our country is a factor of progress and ally of the working class in its struggle to build a better country and better life for itself and for all people.

And that is exactly the reason why the imperialists and monopolists are trying their hardest to wean India away from its friendship and economic ties with the Socialist camp.

The State Sector has grown at a very fast rate and that is the reason, why foreign and Indian monopolists have opened an attack on India's economy.

What is the relative strength of the two sectors if measured by corporate capital ?

The capital formation by the budgets of the Government show the economic levers in the hands of the State as such but that huge bloc is not all productive or value-producing capital.

There is, as yet, no overall capital accounting of the Indian economy, except as seen through the National Income, where also it is vitiated by the inclusion of services or the tertiary incomes in the national total.

But in order to see the *trend* of development, we may use the table of the formation of government and non-government companies and their paid up capital. In this, the capital in government departmental undertakings is not taken into account. Also, private capital that does not take the form of companies is also excluded. But one can see the trend very visibly.

Year	All companies	Paid-up capital Rs. (crores)	Govt. Companies		Non-Govt. Companies	
			No.	Capital Rs. (crores)	No.	Capital Rs. (crores)
1957	29,357	1,077.6	74	72.6	29,283	1,005.0
1960	26,897	1,618.7	125	477.2	26,772	1,141.5
1964	26,002	2,388.9	178	895.5	25,824	1,493.4

(Source : *Company News & Notes*, February 1, 1965)

The trend shows that State Sector capital in the form of paid up capital of Government companies rose from Rs. 72.6 crores to Rs. 895.5 crores. That means the share of State capital in the total corporate capital rose from 7 per cent in 1957 to 37.5 per cent in 1964. Private capital rose from Rs. 1,005.0 crores in 1957 to Rs. 1,493.4 crores in 1964, that is, its share in the total corporate sector of the economy fell from 93 per cent to 62.5 per cent.

Both capitals rose in absolute volume. But State capital rose by 436% and private capital by 48%. The galloping speed of corporate state capital is nearly ten times that of the private, in these eight years.

In September 1964, the number of companies stood at 26,344 and the aggregate paid-up capital at Rs. 2,482 crores in which Government companies (November 1964) were 184 with a paid-up capital of Rs. 971 crores.

The Government report on the working of 61 industrial and commercial undertakings for the year 1963-64 presented to Parliament in February 1965, says that the equity capital in these undertakings at the end of 1963-64 stood at Rs. 1,039 crores and long-term loan capital at Rs. 741 crores — the total being Rs. 1,780 crores.

The gross block of all these 61 undertakings stood at Rs. 1,550 crores, the gross block being less than the capital invested because all investments have not yet come into force.

If we take the total productive state sector capital at Rs. 4,632 crores as abstracted from the total capital formation of Rs. 11,930 crores (1964), how does it compare with the gross fixed assets of the private sector of corporate capital?

There is no study available up to the latest year and in the way to match comparable items in both the sectors. The paid up capital of Government and non-government companies is one indicator but that omits many productive capital assets in the government's departmental undertakings which also are part of state sector capital.

But there is a study of 1,333 public limited, non-financial, non-governmental companies (1962-63) which form 89 per cent of the total paid up capital of all such companies at work as at the end of March 1961 (*Reserve Bank Bulletin*, July 1964).

The total gross assets of these companies were Rs. 4,065 crores in 1962-63 in which the share of net real capital (net fixed assets and inventories) amounted to Rs. 2,237 crores. If we omit depreciation provision of Rs. 927.85 crores from the gross assets, the total net assets amount to Rs. 3,137 crores. If this represents 89 per cent of the total capital of such companies, the total can be taken at Rs. 3,525 crores.

The conclusion would be that State Sector capital in the productive sphere is as big as the private sector capital in its corporate form. But, if we take all private productive capital, not only in the form of public limited but private limited and private partnership and trust capital, the State Sector is still smaller than the private, though it is growing at a rapid rate. It will outstrip the private sector only if the trend continues and at the same or greater speed.

But there are already signs to arrest this trend and the monopoly capital group which all along opposed the state sector entering new productive spheres where they already had a hand, is mobilising all forces for the job. They will succeed, if the working class and democratic forces do not counter-attack with a united force and understanding.

The perspectives presented by the discussion in the Fourth Plan were such that at the end of 1970, the State Sector would have been co-equal with the private sector and it was intended to enter into branches of consumer goods, which today is almost the exclusive preserve of private capital yielding the highest rate of profit and exploiting the consuming public with high prices. That was one more reason for the imperialists and monopolists to create the present crisis.

It is necessary to see what "Division of Labour" has been made by Government and Non-Government Companies in the sphere of important industrial groups.

An interesting table given by "*Company News and Notes*" (February 1965) shows where government and non-government public limited companies exist as on 31st March 1964.

<i>Important industrial groups</i>	<i>Govt. Co's Paid-up capital</i>	<i>Non-Govt. Co's Paid-up capital</i>
	<i>(In Rs. Crores)</i>	
1. Tea Plantations	0.0	34.6
2. Sugar factories and refineries	1.9	48.1
3. Cotton textile mills	3.1	162.0
4. Iron and Steel (Basic)	451.0	87.1
5. Transport Equipment Mfg.	30.5	52.7
6. Mfg. of Electrical Machinery	42.1	39.3
7. Machinery other than transport and electric	92.8	75.1
8. Basic industrial chemicals, fertilisers, etc.	59.3	44.8
9. Products of petroleum and coal	45.0	17.5
10. Manufacture of cement	0.0	46.4
11. Paper and Paper Products	5.0	43.4
12. Wholesale Trade	9.6	111.4
13. Banking, loan and other financial institutions	13.1	94.8
	753.4	857.2

A picture of twelve important industrial groups in the sphere of manufacture and one in the sphere of bank capital show that in the sphere of the twelve manufacturing groups, the paid-up capital of the state sector or government companies was Rs. 740 crores and that of private companies was Rs. 762 crores. In financial companies, government had Rs. 13.1 crores and private banking capital was Rs. 94.8 crores. We need not mix up here the financial companies as we have omitted them from previous comparisons also. Taking these two public and private blocks of Rs. 740 crores and Rs. 762 crores, we find that the State Sector is bigger than the private sector in iron and steel, electric and other machinery, chemicals and fertilisers, petroleum. Private sector is bigger than State Sector in plantations, sugar, textiles, transport equipment manufacture such as cars, cycles, etc., cement, paper and wholesale trade.

Thus it will be seen that of all thirteen groups, there is none where private capital does not exist but there are three where State capital is wholly absent or almost non-existent. State capital has left the whole field of plantations, cotton textiles, sugar and cement to private capital. These are highly profitable and consumer industries and private monopoly rules them to the detriment of the country and the people. Trading capital as represented by State trading with Rs. 9.6 crores is far behind Rs. 111.4 crores of private paid up capital in wholesale trade.

There are proposals that the state sector will enter on a larger scale in the consumer industries. But already the private monopolists have started a row against the proposal.

It is necessary for the working class to demand that State Sector capital enter the field of the big consumer industries, both by the direct takeover of some existing units and by establishing new ones. That would be one of the economic measures to fight the crisis that is on us.

FOREIGN CAPITAL

The weakest and most dangerous part of the economic development of the country is the reliance of the Government on foreign monopoly capital and the growing influence of American capital, both in the political and economic field, and now fast spreading to cultural-educational field also.

The external assistance sought and obtained by Government stood at Rs. 5,575 crores upto 30th September, 1965 and out of this it has used Rs. 4,156.50 crores to that date.

In this U.S. 'P.L. 480' and 'P.L. 665' assistance stood at Rs. 1,463.19 crores.

In this huge liability, credits repayable in Indian rupees that is mostly loans authorised from Socialist countries were Rs. 292.26 crores upto September 30, 1965.

The loans from U.S.A. and others have to be paid in their currency. But since they refuse to buy our goods in return for the loans as the socialist countries do, India is always in a crisis of foreign exchange. Moreover, whatever they buy, they do at prices, which do not give us full value. All economists now agree that we and other under-developed countries are robbed by the imperialist countries in our trade with them, and that they take away more from the countries that they help than what they give to them.

One report has to say the following on this :

“Recent data show only too clearly how badly they (the under-developing countries) have been hit by recent trends in trade. Since 1957, it has been computed, the industrial countries have benefitted to the tune of 7,000 million dollars a year from the decline in their import prices and of another 4,000 million dollars a year thru the rise in their export prices or by 10,000 to 11,000 million dollars a year in all; as against this their total assistance to economically backward nations has not exceeded 10,000 million dollars a year”.

(Times of India. — “Liquidity Problem”—29-7-'65)

Apart from the robbery thru unequal trade, there is also the fact that India gives a very good rate of profit to American capital, which is the key economic factor in their drive to enter the field of Indian investment on a big scale. It is not philanthropy but profits that move capital anywhere. See the following table of return on U.S. Investments.

	1964	1963	1962	1961
India	14.9	10.4	19.2	20.6
Europe	11.5	10.8	10.2	12.6
Mid East	12.8	6.0	9.7	10.7
Far East	15.7	12.7	14.8	16.0
South Africa	21.3	24.4	22.7	16.8
Latin America	9.8	7.3	8.8	9.2
World Wide	10.8	10.3	9.9	9.9

(Department of Commerce — Annual Survey of American Investments abroad for 1964)

The cause of fall in 1963 was the imposition of Super-Profit tax in Indian Budget. It was replaced by Surtax, which restored the profit rate and now more concessions are being given.

Thus the imperialists take away from us and all other developing countries more than they loan to us. Their annual profits are more than their loans. They take back what they give and over and above keep us in debt still to be paid. This is the face of neo-colonialism.

India has come to a stage where she cannot pay even the interest on foreign loans.

But that is not so much the serious part of the present crisis.

The most serious part is that those industries which have been built with American help are being blockaded and denied the supplies of spares and components, which threatens the very roots of our national economy in many vital spheres.

Not only have the industrialists and Government been borrowing from the imperialists but borrowing things incompletely and second-hand. And when the U.S.A. and Britain and other imperialists imposed the blockade on us under the excuse of the Indo-Pak War, we were thrown in a severe crisis.

The American imperialists conspired very cleverly to inveigle India into their net.

By means of generous grants and loans they started occupying strategic positions in the Indian economy, though they could not displace British capital which even now occupies a bigger position in private industry.

The most vulnerable part which the U.S.A. captured was in the matter of food supplies. The failure of the Congress leadership to raise agriculture to a higher level by giving land and capital to the working peasant enabled the U.S.A. to batter Indian economy with wheat loans. Coupled with this was the fact that banking capital aided the hoarders of food and heightened the scarcity. The suffering people began to fight which frightened the Government, whose ministers, instead of relying on the people, started surrendering one position after another to foreign capital which now is fully poised for attack to capture the whole field to the detriment of our independence and progress.

The U.S. imperialists are dictating terms for aid, which if accepted will lead to the destruction of our independence. Their terms can be summed up as follows :

1. Full and free entry to foreign private capital in all fields on equal terms with Indian Capital.
2. Majority share and management control in the hands of the foreigner with full freedom of the market and prices.
3. No extension of the State Sector any more, least of all in heavy industry and machine building.
4. Industrial crops (viz. cotton, oil seeds) to be bought from the U.S. and India to produce foodgrains only.
5. Indian know-how and science to be attached to U.S., which has already got what India wants to do and hence can hire it from the U.S.
6. No restrictions on Indian monopoly capital.
7. Indian education to be oriented on American lines thru Indo-American Foundation.
8. Reduce costs by slashing wages and firm suppression of strikes, democratic liberties and trade unions.
9. Government and Parliament to follow American advice given directly or thru the World Bank.
10. Curbing of socialist capital and trade with socialist countries.
11. Finally total agreement with American foreign policies including the war in Vietnam.

These are the terms that the U.S.A. has put to the Congress leadership, whose representatives have gone on visits to U.S.A. in search of more aid to meet the crisis of food and industrial production.

The present indications are that the major part of the Governmental leadership is ready to accept many of them. The Indian monopolists and political reactionaries both inside and outside the Congress have been in agreement with such ideas for a long time.

The democratic forces are opposed to them. A large part of the intelligentsia is against them. A part of Congress leadership and sections of the Indian bourgeoisie who want independent development are not in favour of them.

The Anglo-American imperialists despite their inner contradictions have been trying to push us in many ways. They tried

the Kanjarkot battle to make us join them. They incited the Pakistan invasion and were surprised that India could stand up. So they put the embargo.

Reaction took advantage and manoeuvred the food crisis, which moved the masses to hit back. The U.S. intervened with an offer to feed them and save the Government. Instead of rejecting the terms and hitting at the monopolies and the banks, the police and army was called to quell the mass-movement.

The imperialists moved in and started dictating their final terms of surrender.

The situation can be saved only if the democratic masses, parties and organisations go into action against the sell-out, in a united militant manner. Trade unions and trade union unity can play a great role in this.

Indian Monopoly and the Masses

We have posed the seriousness of the threat from the imperialist bloc, particularly the U.S. imperialists. We have seen how they manoeuvred the situation in their favour through the crisis in the creation of which they have a main hand.

But imperialism is not playing a lone hand. It has its allies in the reactionary ruling circles and primarily in the monopolists, who have grown very powerful during the course of the three Five-Year Plans and the resultant increase of wealth in the country.

The powerful monopoly houses, which are not more than 75 in the whole country, are helping in the deepening of the crisis of the economy and are the protagonists of the policy of surrender to U.S. capital. They are the main partners in the collaboration agreements with foreign capital.

Between January 1957 and 1965 December, there were 2,358 approved collaboration agreements between Indian and foreign private capital.

Judged by the number of agreements, Britain stands first with 663 agreements, U.S.A. second with 408 agreements and West Germany third with 348 agreements. British capital does not shout much but it has quite a big hold on our country's economy.

Foreign capital comes to India, not for charity but for amassing profits and taking them home. They are a serious drain and danger. At the same time, we must not get the idea that foreign capital has already got hold of all our wealth.

Not only has State Sector capital become large in size and has come to occupy a very important place in the structure of our economy. Private Indian capital also, in comparison with foreign capital in India is quite large and solid.

If we compare the total paid-up capital and total assets of all large sized foreign companies in India with the paid-up capital and assets of all large sized (i.s. companies with paid-up capital of

Rs. 50 lacs and above) companies at work, we get the following picture :

	<i>Rs. crores.</i>
1. Total net assets of all large sized Companies	5,978
2. Total net assets of all large sized foreign Companies	461
2 as % of 1 — 9.0	.. .. .
3. Total paid-up capital of all large sized Companies	1,799
4. Total paid-up capital of all large sized foreign Companies	133
4 as % of 3 — 7.5	.. .. .

If we pay attention to the big noise created about the existence of foreign capital in our country and when some of us speak of it as if the whole country is run on nothing but foreign capital, one gets surprised to find that in the net assets of all large sized companies foreign capital is only 9 per cent.

The reason for the alarm, which is quite legitimate does not lie in the volume of foreign capital. It lies in the command they have over the most vital aspects of our production and the power or influence they begin to exercise not only in the field of economy, but in the political field of our national policies.

This power was seen when the foreign collaborators from their home country at the bidding of their Government put an embargo on components, spares and raw materials which threw a large part of our production apparatus out of gear. Foreign capital commands certain arteries of the heart of our economy, by which it can succeed in killing us of "heart failures", if we do not remove his clasping murderous hand on them.

And we are not able to do it even now, when foreign capital has revealed its true face since last year. The reason for that is that they have a powerful ally in the monopolists of our country.

Concentration of wealth in the hands of a few is the inevitable outcome of capitalist growth. It could not be otherwise in India, even if the parliament and the Congress Government swore by socialist phrases. Even in British days a few Indian monopolists had begun to mushroom, while serving their master on one side and blessing the national movement on the other with a few

coppers. The Birlas did not hesitate to export gold bought from the distressed Indian peasant in the 1930's when the pound (and the rupee linked to it) went off the gold standard. Now the smugglers are working in reverse.

The monopolies grew fast in the Second and Third Plans, when the economy was being given a push by large subsidies, licences, foreign imports and big Government contracts and purchases. The rising national income, the rising profits from the growing productivity and falling real wage of the worker, the command over the vast banking finance in the country fostered the growth of giant monopolies. They cornered whole lines of production vital to the life of the people. And Governmental policies helped them to grow in the name of fostering enterprise and economic growth.

The Government appointed two Commissions to inquire into this question and both have reported that growth of monopoly capital, concentration of wealth and command over goods vital to the needs of society and people are in their hands, though they have not yet come to the position of State-monopoly capital, dominating all politics and economy of the country. They have yet to reckon with the the small and medium and some big entrepreneurs in the capitalist world, as also the rural bourgeoisie which has come to acquire political and economic weightage.

The conclusions of the Mahalanobis Commission and the Monopolies Commission are now well-known.

The Monopolies Inquiry Commission gives a list of 75 monopoly houses or groups who comprise 1,536 companies and their total assets are Rs. 2,605.95 crores and their total paid-up capital is Rs. 646.32 crores. How much of the total corporate do they command ?

The assets of non-Government non-banking companies for 1963-64 amounted to Rs. 5,552.14 crores and their paid-up capital to Rs. 1,465.46 crores

Thus the proportion of the assets of the 75 groups to those of all non-Government non-banking companies works out at 46.9% ; and the proportion of paid-up capital works out at 44.1%.

The monopolists have come to occupy nearly half the capital assets in industry.

The assets of the Tata group come to Rs. 385 crores and those of Birlas to Rs. 271 crores. There are 53 Companies with

assets of not less than Rs. one crore in the Tata group and 151 Companies in the Birla group. Their total annual turnover is Rs. 615 crores.

Is it any wonder that they control press and public opinion, control essential supplies to the people, buy up not only merchandise but even votes outside and opinion inside the Parliament? Did not Minister Nanda himself say that 45 M.P.s are on the payroll of one big group? The Krupps of Germany financed the counter-revolution in Germany and put Hitler in power. The American monopolies use the C.I.A. Are not our Tata and Birla cousins to these their brethren abroad?

The monopolies control the Banks and the market, and thru them raise prices far above their value and fleece the consumer. They withhold supplies from the market and create artificial scarcity to raise prices and profits.

They are the sources of corruption and are the repositories of hundreds of crores of black money. They defraud the State of its tax-dues. If they are caught in the act, they buy up the bureaucracy or a part of Governmental machinery and get away with it. And if some Minister does dare to persist, as in the case of Bird & Co., he soon loses his head as T.T.K. found to his cost.

Gold and diamond smugglers thrive under their protection. Their newspapers quote the rates of smuggled gold and its quantities.

It is these monopolists who are now clamouring for agreeing to the terms of the American monopolies.

Even though there was no real famine of foodgrains, these monopolies financed hoarding of food on a vast scale throughout the country. When once the Hundi market was raided, prices of grain fell on the Bombay market and supplies reappeared. But soon the raids were called off.

The Government failed to break these monopolies and their anti-social, anti-national activities, because Governmental Ministers are not afraid of shooting the starving people but afraid of the monopolies.

Having worked up a shortage of food and the consequent mass anger, the Food Minister dramatised the situation by flying to Washington for American wheat. The great rich uncle was put before the people as the saviour of a hungry India.

But the rich uncle held back his aid until the beggars agreed to all his terms. These terms are nothing but surrender to imperialism, which the Indian people will never allow.

Our trade unions must persistently combat the propaganda of the monopoly and pro-American press that the imperialists are only trying to help us to build our economy in a disinterested manner. It is admitted by statistical evidence that American Capital investment reaps a far higher profit in India than elsewhere. It is also known that the U.S. imperialists themselves are in difficulties of foreign exchange due to their heavy military expenditure on the military bases they maintain round the world to fight the socialist countries and national revolutions. American finance is getting strained due to their heavy defeats and commitments in the long war in Viet Nam.

The cracks in the NATO alliance due to the French walk out and in the CENTO-SEATO due to the attitude of Pakistan have set the U.S. worrying. Hence they are putting up the face of a bully to find other dupes like the Congress Government to do their dirty jobs and to provide them a rich grazing ground and cannon fodder in India.

We have given so much time to this problem because our workers must learn what the imperialists and the Indian monopolists, who are in league with them, are doing. Every trade union, in fact, should know which these 75 monopoly houses are and what they do to exploit us and rob the country. All their black names should be hung in our offices to remember them and to curse them.

The Constitution of India lays down in its directive principles in article 39(b) and (c) the following principle :

“The State shall in particular direct its policy towards securing (1) that the ownership and control of the material resources of the Community are so distributed as best to subserve the common good and (2) that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment.”

The Commission found that concentration had taken place to the detriment of the common good. What is the remedy?

The only remedy is the programme put forward from time to time by the AITUC and other democratic organisations. The first step is to break the power of monopoly capital, in which Nationa-

lisation of Banks should be the first in priority. Then all the big monopolies, who have harmed the interests of the people and have conspired with the foreign imperialists to deprive the country and the people of food, clothing, and all the essential goods and have dictated impermissible prices and traded in black and done all those crimes that the under-world of Finance does, should be nationalised.

The Commission takes up a list of one hundred consumer goods and shows which of them are controlled wholly by one or two firms alone, some of them mostly American and British as in the field of essential medicines whose prices in India are the highest in the world. All of them must be nationalised in public interest.

We must campaign for Nationalisation of Banking and the anti-social monopolies.

That alone will bring food on the market and reduce prices. That will scotch all imperialist schemes to strike at our independence and growth.

When the imperialist blockade of our industries took place and factories began to close down, the patriotic technicians, engineers, scientists and some Governmental leaders gave a call for "a new Swadeshi movement" that is for import substitution and self-reliance.

The monopoly industrialists had failed to build special alloy steels that are so vitally needed to manufacture machines, tools and many defence items. They had failed to find substitutes for imported components and non-ferrous metals, in which India is short.

The American blockade initiated a new movement to do away with as much as possible of dependence on foreign supplies. Some directors of well-known firms prepared papers and spoke in conferences to show what substitutes the Soviet Union and America had used in place of scarce metals. The H.M.T., the Defence Industries, and many others could find quite a few items to save themselves from going abegging to the U.S.

But this movement, in which our young intelligentsia, technicians and scientists joined enthusiastically was cold-shouldered by the monopolists, because no one dared to punish them for their sabotage of independent national development and national self-reliance.

Our trade unions and workers are ever willing to help in such a movement and they do help because they are the people who build the machines and run them. But the bureaucrats, and many of the Ministers with their anti-people attitude would not like a worker to become a "teacher" or "leader" in self-reliance and independence of our economy.

But this is a job which the trade unions can help in doing. It will benefit not only the national economy but also the working-class in as much as it will help in continued employment and production.

The trade unions and workers must be made aware of this situation and the dangers that confront us. The imperialists have failed to dislodge our independence and make us walk into their camp in the two crises of 1962 and 1965 border wars. They do not hope to stage a military coup like in Ghana or Indonesia.

Hence they are trying the economic blockade, hoping to conquer India by an economic coup or financial take-over.

The workers must take the lead in mobilising the nation and all democratic masses to fight this danger, smash the monopolies, oust the Government which aids the monopolies and attacks the masses and make way for democracy, and anti-monopolist order and social progress.

The Wages Picture

The national income has risen, industrial production has gone up, productivity of the worker is on upgrade and profits are soaring especially in the monopoly sector and the incomes of the well-to-do farmer in the last two years have not been bad, though in that sector the overwhelming number of the working-peasant has not gained much from the rise in the market price of agricultural commodities. Where do the incomes of the working class stand in this context? Has the working-class improved its condition in the matter of wages and living, which is the basic question for every worker. Has its share of the total product risen? Has its share in relation to the value added by his labour and appropriated by the owning class risen? Has it improved its position in any other respect or has it suffered a retreat, partial or total?

We shall look into these questions in a brief manner with some broad conclusions which should serve us as a guide for future action.

The answer from the worker's side is that his strike struggles the workers have earned a lot, that the employers both in the public and private sectors, have done everything to satisfy them, that on the whole things are better for them.

In that case this state of affairs should have been reflected in the reduction of strike struggles and mandays lost in them. There, however, we find that the strikes have increased, the mandays lost are on the upgrade and the major cause of the strikes is the question of wages, bonuses and earnings.

The answer from the workers' side is that his strike struggles which require an immense amount of sacrifices from him show that he is not contented, that he is highly discontented and therefore he has to fight.

In the recent period, all the employers' organisations in India, including the Governments at the Centre and the States, have been clamouring against the dearness allowances which they are paying.

The main theme in all the meetings of the employers' organisations is that the payment of dearness allowance, as at present made should be cut or frozen and that all wages be converted to piece-rates and linked to productivity only.

Employers throughout India are acting in a concerted manner in their attack against the worker's Dearness Allowance. Naval Tata's statement to the Chamber of Commerce, the appeal of the Bombay Millowners' Association to the Industrial Tribunal for permission to cut the Dearness Allowance (one of the demands of the General Strike of the Textile workers of Bombay was in resistance to this move), etc. are pointers to the danger. The Madras Government has even chosen to treat a cut in Dearness Allowance effected by a Madurai mill-magnate and a working-class strike against it as a "dispute" and referred it to adjudication — as if a cut in D.A. could be a matter for adjudication !

Even the present Finance Minister of the Government of India, while giving the last rise in D.A. to Government employees declared that government would have to stop paying D.A. in cash and find methods of payment in kind of some essential wage-goods. In his recent speech in Bombay he agreed to the demand of the employers that the wage-structure in India must be recast.

But no one stops to ask the question — has the worker's share in the very national product he himself produces and whose quantum is going up every year gone up or gone down ? These gentlemen do not want to ask — whether the real wages of the worker in terms of the prices he has to pay for his living have gone up in a continuous strain, over a whole period, and not just spasmodically ?

The Government of India and many research institutions set up in the country (and some of them with generous American donations) have been trying to prepare a picture of the wage-movements and wage-structure in the country. Though each employer knows what his worker costs him and what profits he is making out of him, yet the national bourgeoisie as a whole in India has been so backward and blind, even from the point of view of its own class interests, that it has all along resisted the attempts to have a wage-census and bring out a correct picture of the wage-structure in our country. Even a decision of the Tripartite Committee on this question was never carried out beyond publishing some sort of occupational wage survey in 1958-59.

But the big employers maintain their own research institutions manned by some of the best intellectuals in the country and do things for themselves and draw their conclusions to fight the working-class. In this respect the Labour Ministry of the Government of India has been a failure nor has the planning Commission done much, as can be easily seen from the philistine way it has made

its notes on the Labour Policy in the plans in the past and the present one.

Even from the limited material available on the question of wage-movements during the three plan periods, what do we find?

The conclusions of the ten years 1951-1961 of the two plans, are roughly drawn as follows :

During the war period, the worker's real wages fell though money wages rose.

It took the workers five years after the end of the war to come up to 1939 level. By 1950, the level of real wages was at par with 1939.

During the First Plan period, real wages started rising and this upward trend in real wages was primarily due to a rising trend in money wages with relatively stable prices.

In the case of factory workers during the period 1951-56, the index of money wages rose to 115 and the index of real wages also rose to 115.

The miners in particular, made a good gain in this period, their real wages having gone up by 44 per cent. For once in the lifetime of a whole century perhaps, they got some relief, some fighting gains.

But these gains got frozen in the Second Plan period of 1956-1961. The prices of goods rose faster than money wages.

The Second Plan went in for building some basic industries for which more taxes on consumer goods came up and the big rich began to resist rise in wages commensurate with the rise in prices in most of the new sectors of industry that had begun to come up.

The result was the consumer price index rose by 20 per cent in the period 1956-61.

The index of real wages of factory workers which was 115 in 1956 fell to 106 in 1959.

It recovered again to only 115 in 1961.

That means real wages between 1956-61 in the Second Plan got frozen to the level of 1956. The employers were determined to see that the workers' real wages and standard of living did not go up beyond what it was in 1956 and in between it even fell to 106 as in 1959.

If in one cycle, the worker gains something by sheer dint of struggle, he is always threatened with the loss of it in another

cycle. Even a pittance of a wage rise is not stable under capitalism.

The Third Plan period of 1961-66 is now over. We have not got a study of this period yet. But the attack of the capitalist market on consumer living in those five years has been far more ferocious than ever before.

The All India Working-Class Consumer Price Index which was 96 (1949=100) in 1955 had risen to 124 in 1960, that is by 28 points. The same index rose from 124 to 166 in 1965 that is by 42 points.

Did the workers receive enough money-wage increases to cover this big jump in the cost of living in the period 1961-1966? They did not.

The index of real earnings of employees earning less than Rs. 200/- per month which was 115 in 1961 rose to 116 in 1962, fell to 113 in 1963 and still further to 102 in 1964. And it became worse in 1965 the year of Indo-Pak war. Soon in 1966, we are once again to the 1951 level or even below.

The havoc played by the employers with the life of the workers, their resistance to link dearness allowance to cost of living index in all the industries, the resistance being greatest in the public sector, the Government services and the unorganised and new industries, is well indicated by the big wave of strikes and bandhs in 1964 and 1965. The secret of the unrest of these years is not the malevolence of anti-congress political parties nor the trade unions. It is the attack of the imperialists and their monopolist partners in our country, who are sabotaging our industrial and national growth, that is forcing the workers to fight in self-defence.

This, is however, a picture of the factory industries. It has not included middle-class employment in such sectors as the banks, insurance, port and docks, who fared better than the factory industries.

But unorganised industries suffered a greater set back than the gains of the organised industries, rendering the wages-picture uneven from employment to employment and region to region.

This does not mean that no strata of workers improved its position. There are some sections in engineering or such as in banking, who did make gains, but in sum-total the picture of the working-class is that Indian capitalism has resisted giving any share of the rising wealth of the country and the rising capitalist share of it to its working-class.

That is exactly why monopolies have grown in large sectors. The concentration and centralisation of capital has gone on with great strides on the basis of the expropriation of fruits of labour of the working-class and the vast consumer masses of India.

This picture of wages would suggest as if all our struggle is futile and this octopus of capital will never let us go forward. But it is not so. The working-class of India in its struggle against capital has made gains, which are useful for the path we are preparing to go towards socialism.

In 1957 we forced the Government and the employers to accept need based minimum wage, after defining what the worker must have at an absolutely subsistence level, in the matter of food, clothing, housing, education, etc.

Then we demanded that Wage Boards be set up in each industry to bring about some order and rationale in the chaos of wage rates within the same industry and from industry to industry and region to region.

So far ten Wage Boards have been appointed between 1957 and 1966 besides some Central Tribunals. It has taken nine years and much agitation to make the Government and the employers even to look at the most anarchic, frightfully low wage-structure in the country and evolve some norms and order.

But nowhere did we succeed in making the Wage Boards give us the need-based minimum wage. Even the most established, old time industries, who have spread their profits from one industry to another and become vast trusts and monopolies, have refused to give us a wage-structure in terms of the 1957 Convention on need-based minimum.

The need-based minimum wage calculated in the diet recommended by the Nutrition Advisory Committee works out to Rs. 185 for major centres at an all-India index of 160.

The balanced diet would be costing Rs. 275.

Such a minimum with the necessary differential additions for skilled jobs is nowhere available even in highly profitable and specialised concerns like Guest-Keen, Indian Aluminium, etc.

Still we have secured a jumping platform in each industry, from where all workers on an industrial level can begin the attack.

In certain areas like Bombay or Delhi and in certain industries there, the lowest money wage is almost Rs. 170 or so including D.A. We will be nearing the need-based minimum with a little more push by organised and united action.

The Wage-Boards being appointed on an all-India level, have also been used by the trade union movement as an instrument to give the working-class an all-India outlook and basis for building the T.U. organisation and trade union actions on a national scale. And we did use the Wage Boards to forge better instruments of struggle in the T.U. field to take us forward.

As the working-class tries to use the Wage-Boards for its advance, the employers and the Government defeat our attempts by their manoeuvres, which are many. They take a long time to appoint a Wage-Board. Then the Board itself takes years to come to any conclusions. When workers' actions begin to gather momentum, the Boards are used as a diversion by giving some interim relief. Once a report is made, it freezes the wage at that level even upto five years. And no recommendation of the Board, which is not unanimous, in effect meaning without the consent of the employer, is given effect to by the Government. And in order to get unanimity the workers' representatives are forced to lower their demand, which they sometimes have to do, for tactical reasons such as securing some limited benefits in a backward area or to avoid a complete failure which might strengthen the employers.

The wage-map of India, on the basis of the changes that have occurred in those years, is not available to us today even after all these Wage-Boards have been appointed.

But one thing can be said that the new worker, who has come to the factory along with the old, does not think of money and earnings like the worker of the pre-independence days, in terms of annas per day or just one full rupee and no more. He no longer binds himself to any rigid fixed idea beyond which he can never think or go. He no longer feels any inhibition in asking for and getting just five rupees a day for an unskilled job or ten rupees a day for a semi-skilled one. That itself is a kind of mental freedom he has achieved through the rise in money wages that he has fought for and got.

Some years back we said that there should be no wage below Rupees one hundred. We have not achieved it for all trades and at the national level. Moreover, the value of money also has depreciated.

Even then there are still big areas and trades wherein the bulk of the wage-range, even now with depreciated value of the rupee, is below Rs. 100/-.

The occupational wage survey of 1958-59 showed the following percentage of workers earning below Rs. 100/- in some of the major industries as follows:

	% of workers	
	Below Rs. 100	Rs. 100 and above
Cotton textile	52.7	47.3
Engineering	52.3	47.7
Railway Workshops	53.0	47.0
Bicycles	38.5	61.5
Metal extraction	35.3	64.7
Sugar	96.0	4.0
Tea	86.7	13.3
Coal	84.7	15.3

In the years since then due to certain wage awards and rise in prices and D.A. the below Rs. 100 category has been reduced a little, but vast belts of coal, tea, sugar, construction remain far below even now.

This shows that the main object of struggles still remains and will always remain the problem of wages.

In short, while we have not made any big gains in the value or content of wages for the whole of the working-class, we have succeeded in bringing about certain structural changes in the wages in some industries, in the matter of minimums, differentials, norms, etc.

THE BONUS BATTLE

One of the biggest battles we have fought and which is still not over is in the matter of profit-sharing Bonus.

Profit-sharing bonus first came in the textile industry in 1920 but it was lost in 1924. The strike of 1940 on dearness allowance in Bombay textiles at the beginning of the Second World War set in motion claims of dearness allowance linked to cost of living and the claim for bonus soon followed. The victory that the Bombay workers won on this question soon spread to other areas and industries.

The capitalist resists the claim of the worker to a share in the profits at the end of a year from the point of view of a principle which is very sacred to capitalism and on which is based his fundamental concept of the employer-employee relation or produc-

tion relation. He says that after he has hired the worker by the day or month and paid him for his work, the worker has no claim left on the results of his labour. Whether it leads to profit or loss is the concern of the owner of the product and capital. Wage payment on the daily or monthly rate is the final settlement of the contract between the owner of labour power that is the worker and the owner of capital that is the employer. Where then is the claim of the worker for a share in the profits at the end of the year? If the employer has paid any such bonus, it is his pleasure, it is ex-gratia.

The theoretical positions of the employers have been defeated and Bonus has been established now as a right of the worker on the employer. It is a deferred wage he must receive, maybe at the end of the year, looking into how the capitalist has managed his end of the contract.

In fact, as a result of the victories of socialist economy and the rule of the working class in countries, where production and all the organisation of the social life of man has been conducted for years without the existence of the capitalist class, the working-class in the capitalist countries has been able to demolish many of the theoretical or moral-philosophical positions of the exploiting classes, who were so long governing on the basis of the classical principles of free enterprise and freedom of contract between capital and labour that is freedom to exploit the working-people. Share in profits or annual bonus irrespective of profit and loss, comprehensive social insurance including job-security, unemployment benefits, sickness or health insurance, housing, training within industry, right to challenge and inspect balance-sheets and to go behind them into the functioning of the capitalist and his enterprise and finally participation in management are all indices of the workers' advance against capital, with which he fortifies his positions in the class-struggle, both ideologically and economically, before he succeeds in nationalising industry and abolishing the now superfluous intervention of the capitalist in social production over major field of economy.

The determined struggles with which the workers in India fight for bonus, are not merely for a few rupees. It is also a struggle on the way to winning positions against capital.

The capitalists in India know this very well and they too are fighting as bitterly as possible.

The appointment of the Bonus Commission and its major results were thus an important stage in the class-struggle being fought by all the trade unions in India.

The Commission established Bonus as a right of the worker on the employer. It converted that right into a definite system of quantum to be paid. The payment is to be made from profits where they exist. If they do not and there are losses, the worker charges his bonus on the reserves which are the accumulations of his past labour in the hands of the capitalist; only the charge is made into a minimum and almost a token charge. It is in fact a penalty on the employer for his failure to realise the surplus value which his worker has rendered him by his labour but which he lost to some brother capitalist in the market.

The Commission rejected the position which the LAT formula had imposed in the name of rehabilitation charges that is making the worker of today responsible for finding the money to rehabilitate his exploiter on some imaginary basis of the future price-level of machines. The Commission also accepted the position that after the employer has got his stipulated rate of profit as return on capital, the major part of the remainder should go to the worker and the rest to the owner for further extension of production.

These positions were certainly an advance. But when it came to fixing the rates, the employers and their allies created a deadlock and wanted to blow up the Commission as a whole, which they had been trying all along, even before its appointment and after.

It was a question before the AITUC as to which tactics to follow—whether to get the basic positions in principle and some quantum in money fixed first and then start the attack at a later stage to alter and improve them or to allow the Commission here and now to be blown up by the employers. After consultations in the National Conference of trade unions which was held in Bombay, it was decided not to allow the Commission to be blown up, though we knew that certain compromises would have to be made.

We were forced to raise the return on capital from six per cent to seven and the return on reserves employed as working capital from two to four. The rehabilitation deductions were abolished, but normal corporation tax deduction was allowed. A minimum of four per cent bonus even to loss-making units was admitted in exchange for a maximum limit of 20 per cent on profit making units. And the bonus was to be on total wages that is basic wage plus dearness allowance.

And then there was the understanding that those, who were getting better terms in the period prior to the Commission, would continue to get on the same basis and same terms.

We were not sure of the statistical implications in all those industries where Bonus was already being paid. Hence we provided for the above protective clause.

We were aware that in all those cases of industries, trades and areas, where no bonus had ever been paid, this bargain would mean a good advance. And the whole position could be bettered once the all-India, all-industry basis of bonus had been established.

The big employers' representative tried his best to win a majority for his positions but he did not succeed. But he succeeded in doing one damage. On the expectation that he would agree to a unanimous recommendation on seven per cent return, the other members made a number of concessions. But the move failed and the majority then would not retreat to their original positions. I had to put in six dissenting views on record on some other points also.

In the final analysis it was the Government of India which rejected the near-unanimous recommendation and accepted the one-man minority report. It surrendered to the demands of the monopolists and gave them all that they wanted, except on the minimum of four per cent, despite losses and the continuity of ratios of past payments.

The amendments introduced by the Government of India hit the bonus of all workers in the organised industries.

The working-class has resented this attack. When the Bonus Bill was brought into effect by an ordinance on 2nd June, 1965, the textile workers in Bombay went on a one-day protest strike on 7th June which was a lightning swift action, under the leadership of our union, an action which was the only one of its kind throughout the country on the issues of a principle apart from actual dues. It was in essence a political strike against an obnoxious law which favoured the monopolists and slashed the gains of the workers.

The bonus battle is not over. The employers, with the help of the Congress Government took the offensive still further. They have challenged the very basis of the Bonus law in the Supreme Court, whose judgment is now being awaited.

Making their appeal as an excuse, though they had not obtained any interim stay order, the employers throughout the

country refused to pay bonus, which according to the law was to have been paid within eight months after it became due, that is by August 1965 at the latest for the year 1964.

The Government of India and the State Governments all became very generous and allowed the employers six months more to pay, that is upto February 1966. That means the Government itself illegally allowed them to withhold our due money running into several crores for a whole period of one year and two months.

That is how the Congress Government serves the bourgeoisie even in fields where its own commissions and committees and laws entitle a worker to get some benefits.

AITUC all along had called upon the workers to launch determined strike struggles to enforce payment under the Bonus Act. It had warned the Government that it must force the employers to pay and pay in time or face the strikes. Congress leaders and Governmental ministers, who are ever ready to call in the police and the army against the people, only made spineless appeals to the employers to be reasonable and to pay. They even "threatened" to take action if they did not.

There was an understanding in the Committee, when the appointment of the Bonus Commission was being discussed that the Government as an employer would follow the recommendations of the Commission in the public sector industries.

The Government of India did not include all the public sector industries in the reference to the Commission. After the report was out even then it did not make any commitment. Only recently, the Labour Ministry has agreed to pay bonus in some of the public sector plants.

A series of strikes broke out on the issue of bonus throughout the country, as a result of which the Government and the employers had to modify their attitude and agree to pay "without prejudice" to their plea before the Supreme Court.

There is no doubt that the strong resistance put up by the trade unions on this issue has brought partial successes to the workers and has convinced the Government and the employers that a big upheaval on the question of wages and bonus is in the making.

There is no doubt that in the coming period, the big monopolists are going to launch an offensive against the workers in the matter of wages, D.A. and bonus.

The workers in their trade unions, whatever their affiliations or their politics, have to unite in order to fight back the offensive

and win new positions to improve their conditions of work and living.

The Struggle against Index Fraud

In many places and many industries, the workers get dearness allowance according to the changes in the cost of living index. Many wage claims are judged by tribunals on the basis of the rise or fall in the index. Even to justify a strike action for wages before the public, the index is a useful item of argument.

The Index is compiled by Government Labour offices throughout the country. Each centre and state has its consumer price index. And the cumulative effect of all these is made into an All India Consumer Price Index. This all India index is a weighted average of 27 centres out of which 15 are compiled by the Labour Bureau of the Government of India and 12 by different State Governments.

When the workers in Bombay decided to launch a struggle against high prices they demanded a revision of the cost of living index as it did not reflect the rising prices. When matters headed towards a general strike in Bombay on August 20, 1963 the Government hastily called a conference and agreed to appoint an expert committee to go into the correctness or otherwise of the Index in Bombay which had the reputation of having a very experienced labour office.

The Lakdawala Committee found in January 1964 that the Bombay index was faulty by 29 points on such items as rent, clothing, tea and ghee. The index was revised and the workers got an increase of Rs. 8 in their wages per month at the given index.

The discovery of this fraud which had been depriving the workers of their due dearness allowance for a number of years and thereby giving the employers crores of rupees of super profits prompted our trade unions to challenge the index in several places.

The Ahmedabad Index was found by another Committee appointed by the Gujarat Government to be wrong by 19 points. In this index, the cloth prices had been frozen since 1952-53 and house-rent had been frozen since 1930. The workers got an increase in D.A.

In Delhi, the expert committee appointed in July 1964 found the faults and recommended a correction of 21 points. But as this was under the Central Government the bureaucrats of the Labour Bureau of the Central Government refused to accept the

fault and revised it through another committee. Even that Committee while lowering the points, found the index wrong.

The AITUC severely criticised the Government for not taking up an all-round review of the Indices and eliminate the faults and give the workers their dues. The workers had to go into demonstrations and other forms of protests to move the Government which felt bitter because it had been literally caught in the act of pilfering the workers' pocket by a faulty index prepared by its own offices, thereby saving crores of rupees to the employers in their wage bill.

Millions of employees in the public sector and Government services also made gains thru this Index correction movement.

And even now, many industrial centres, like Kanpur, Calcutta, Bangalore, Mysore, Madras remain to be examined and corrected.

The AITUC has demanded that the trade unions should be associated with the compilation of the Index and its check-up and it should not be left to the sole control of the Government labour offices.

Basic and D. A. Structure

A movement has been set afoot on the question of basic wages and D.A. and the structural relation between the two. In many areas we find that the D.A. is the main part of the wages and the basic wage has lost all relation to the value of the workers' work. For example the basic wage in textiles in Bombay is Rs. 40/- and the D.A. Rs. 140/-.

It is also found that the system of paying flat rate D.A. to all categories of wage levels has resulted in the skilled workers getting less and less neutralisation of the rise in cost of living. While the minimum wage-earner got some justice, the higher one has lost his just dues. A system of slabs in D.A. with a sliding scale and a revision of the basic minimums is on the agenda of the movement.

The time has come for the Trade Union Movement to chalk out a plan of united action for the realisation of the demand for a National Minimum Living Wage or what has been described as the Need-based minimum. The demand should no longer be only a propaganda slogan but a slogan of nation-wide action.

Deductions, Benefits, Insurance

While the sickness insurance has come to stay, the old scandal of failure to build enough hospital accommodation con-

tinues to mar the effectiveness of the scheme. While workers continue to pay their full contribution, the Government has failed to make employers pay their full quota as provided under the law. A recent review Committee has asked for recasting the organisation structure of the ESI top executive bodies.

It is worth mentioning here that the Minister for Health in Central Government had made a proposal that maternity benefit under the ESI should not be paid to a mother from the third child onwards. This was supposed to help in family planning. The proposal was rejected in the Tripartite Committee.

If one raises the question as to how many cuts the worker's pay packet has to suffer on various items in order to secure relief in later life or when in need, we find the following picture.

Deduction for Provident Fund of 8-1/3 per cent is now general. But he gets an equal addition from the employer. This is supposed to give him a sort of old-age and unemployment insurance.

It has been suggested that as a savings measure to help the national economy, the workers' share be raised to 10 per cent without raising the employers'. The AITUC flatly opposed the move.

Among Government employees there is a scheme of General Provident Fund to which the employer does not contribute.

There was the Compulsory Deposit Scheme, which had to be defeated by workers' action. Then there is a Small Savings Scheme.

Some years ago a Pay Roll Savings Scheme was introduced. The AITUC opposed it. It is again cropping up with INTUC support.

Lately an unemployment insurance scheme is being discussed to which the worker should contribute half a per cent of his wages. The AITUC has opposed the contribution side of the scheme.

There are various other schemes like T.B. Seal, Death Benefit Fund on local factory levels to which workers are asked to contribute. The AITUC does not favour such schemes. It is the duty of the State and employers to provide comprehensive social insurance for the worker from the vast surplus they get out of his labour.

But in capitalist states this is never done, not even in England or America.

Only the socialist states do it, because they are a state of the working people.

The fight for comprehensive social insurance at state cost is an important item in our struggles.

Automation, Unemployment and Socialism

The Planning Commission and all the leaders of the ruling Congress Party admit that compared to those coming on the market every year for employment, the increase in the number of new jobs created is lagging behind. It is openly admitted that unemployment among the young workers especially and the old, who are retrenched, is fast increasing. Something like twelve to fourteen million are in search of employment but the present rate of economic development in the country is unable to absorb them.

In spite of this, the capitalist employer in search for larger profits is attacking the field of employment by ever new schemes of rationalisation and retrenchment. Even the public sector of employment is having recourse to "labour-displacing" mechanisation, including electronic computers.

Recently this question attracted great attention, when the public sector concern, the Life Insurance Corporation imported huge computers to centralise the L.I.C. operations in two or three places in the country. The computers are expected to do the work of several thousand employees, who are now doing the job in various centres of the L.I.C. in India.

With the initiative of the L.I.C. unions, an anti-automation conference met in Delhi on 8th December 1965 in which many central F.U. organisations and federations participated. It adopted a decision to oppose the introduction of automation in offices and industries in conditions when millions in the country are starving due to unemployment.

The Government of India assured the L.I.C. employees that no retrenchment would take place due to these computers. But no one believes in these assurances. Moreover the question is not merely of retrenchment but of stopping increase in employment and giving work to the entrants in the world of labour.

Mechanical aids to execution of work that is done by human intellectual labour have been coming in other industries also. There have been attempts at mechanisation in the banking industry. There the strong united action of the bank workers has frozen the use of the machines, except in such cases as are allowed

by mutual agreement between the unions and the employers and do not lead to retrenchment.

Quite a number of these aids are introduced in the railways, where of course, the problem is of a different nature.

The most notorious case of automation, with all the disastrous consequences is in the Oil and Petrol industry, where the American Companies have turned over whole departments to automated working and retrenched hundreds of workers. When challenged by the unions, the Companies replied that they had not retrenched any worker by compulsion. They had introduced what they called voluntary retirement schemes by which hundreds had gone out after taking "handsome" compensation payments.

A Tripartite Committee appointed by the Labour Ministry reported in April 1966 that their voluntary retirement had nothing voluntary in it. It was all compulsory retrenchment due to introduction of automated working.

The all powerful oil companies have defied the Committee, the Government and the Unions to do their worst.

A question is asked even in the trade union movement as to how far we can go in opposing mechanisation and automation. If a developing backward country like ours is to industrialise faster and to compete in the world market, we must go in for automation and all forms of mechanisation and make things cheaper by reducing labour costs.

In the first place, we have to remember that we as workers are not running the economy of the country. We are in no way responsible for framing its policies, determining its direction or appropriating its final results. It is a capitalist economy which is run for private profits of the capitalist class.

Even the State sector does not run for the benefit of society. It has now reached a stage where more and more of its gains are being sought to be appropriated by the capitalist class and their henchmen in the bureaucracy many of whose members blossom into a new bourgeois thru the Public Sector. Therefore unless the working-class achieves some power to divert the country's development away from its capitalist-monopolist direction, we as trade unions cannot undertake to solve the problems of the economy by entering into the question as to what sacrifices we should suffer for it.

We stand for technological progress. We have not opposed new industrial plants installing the latest machinery in production.

There also we have a criticism to offer. But in the new plants it does not lead to retrenchment of the already employed worker, though it bars the entrance to a larger force than is absorbed by the automated plant.

Mechanisation, automation under capitalism are nothing but devices to increase the super-profits by the big monopolies. In a developing economy of a newly liberated country like India, a state sector of production appropriating the profits of its plants can help to reduce taxes on the people, accelerate production to overcome colonial backwardness and open the road to social progress. But in India, which in the early days showed this hope, the usual logic of capitalism has come to the forefront and though the state sector is not yet supplanted by private monopoly, the danger has grown. Hence, we, as workers and trade unions have to defend our own class interests as against the class interests of the monopolists.

In a socialist economy automation does not lead to unemployment or poverty or attack on workers' health. There the growing surplus becomes a social product. It is spread over the whole of the working-class and society by rise in real wages, reduction in working hours and the working week and distribution of part of the social product as free supply, like cheapest housing, free transport, free and compulsory education upto the highest levels, and non-contributory social insurance in every sphere. Technological advance under socialism is asked for by the working-class and not resented.

Hence, the AITUC puts forward its ideological standpoint on this question before the working-class and all working people, declares its refusal to help, in any way, under any form, any device, to increase the super-profits of the monopolies and the retrenchment or fall in potential employment of the workers in our country.

All trade unions, not only of the AITUC, but of all centres should define their attitude to this question on the basis of a principled approach and build a joint front to oppose automation, rationalisation as harmful to the working people under present conditions.

There was a tripartite convention on rationalisation. But it has not been observed either by the Government or the private employers. And so the trade unions have had to resist rationalisation by direct action.

The fight against automation, rationalisation and unemployment is going to dominate the stage of struggles more and more as the economy will face the inevitable crisis of capitalist development.

Closures :

Not content with the super-profits that they make out of the normal laws of the capitalist order, some employers, commit fraud on their own system, run away with the finances of their own companies and the taxes due to their own state-machine and ultimately close down the factories as being "uneconomic". Unemployment due to closures assumed quite serious problems in the recent period.

The workers had to go on strikes in order to compel Government to take over the closed factories. Government pleaded inability to put in money to take over factories which they said had become "old and scrap". Actually where the owners had taken to fraud and misappropriation, factories which were as old as the closed ones were still running in profits.

Government opposed the take-over of closed factories for fear that it might harm the prestige of their class and the capitalist system. It would strengthen the demand for nationalisation.

But the workers' actions and the growing anger of the unemployed made them partly change their attitude and take over the closed factories in a few cases. It was soon found that they could run profitably and that in most cases fraud or family disputes among the owners were the cause of closures.

As soon as the mills were reorganised and the losses recouped mainly at the cost of the worker, they were handed back to the same owners, whose full ownership rights, were restored to them in terms of the Constitution by the Supreme Court judgment as in the Sholapur case.

And once again the same cycle of fraud began to work.

The Government had to admit the existence of big frauds in the case of many mills, as the main cause of closures, but they would not amend the Constitution to permit the confiscation of such factories in the name of "social justice" or "social security". The case of the notorious India United Mills in Bombay, a big monopoly group is an illustration. And there are cases of mills and factories like this, in Tamilnad, Pondicherry, U.P., Bengal and elsewhere.

Even in such a situation, most of the State Governments refuse to step in and take over the closed factories. The worst example is that of the callous attitude of the Congress Government of Madras State in the matter of closures in the Textile industry of Coimbatore region, where big mass struggles have been fought on this issue.

The workers demand not only the take-over of closed factories. They want a law which would permit the State to seize the private properties of the owners, who have made their fortune out of such frauds. At present, the workers and the country suffer and the owners prosper.

The workers also demand that factories taken over by the State because of fraud, closures and retrenchment and run as unemployment relief measure, should not be returned to the owners. The Government of Maharashtra in the recent Bombay textile strike agreement agreed to this principle and the Government of India also is considering the question of change of law enabling them to do so.

While the workers succeeded in making Government overcome its ideological inhibition in the matter of take-over by the State of factories which have closed down or threaten to close, it imposed on the workers a cut in their dearness allowance, bonus and other benefits, until the factory recouped the losses and began making profits.

This practice has strengthened the argument of the employers, who maintain that in order to make production profitable, they also should be allowed to cut or freeze wages and bonus just as the Government is doing. If the State as an employer finds it necessary to cut wages, may be for a limited period, why should not the private sector employers do the same?

The workers demand that this practice of reducing wages and suspending all labour laws in the case of take-over factories of the state should be stopped and they should not be penalised for the frauds and failures of the employers.

Housing :

Housing, which scarcely existed for the working people in the British days, started becoming worse, when the new industrialisation began.

Lacs of people migrating to the new towns under construction, lacs, who flocked to the old cities, where new factories were

going up by the side of the old had no places to live, no water, no sanitation. Huge slick and clean factories were surrounded everywhere by huge colonies of slum dwellers, who were not just homeless beggars, but real good workers, producing wealth and profits for their capitalist employers.

In the beginning instead of building houses or at least providing the slum-dwellers some minimum amenities, the Government, the employers and urban landowners started destroying the huts, and when the workers put up resistance, many lost their lives in police firings. Even children were wounded in the smash which the police organised to pull down the shanties. And all this was done without providing any alternative sites, even for another slum to arise, where men could find some shelter at least. Every industrial town in India has a slum satellite town spreading into the open spaces or nooks and caves of rocks, which have been blasted for rubble or by roadside paths and drains.

After persistent struggles, and the failure of the employers to provide housing even when given subsidies, some of the Governments have begun to build industrial housing and also to provide conveniences in the slum areas.

Industrial housing built by Government in the State Sector industries is of a tolerably good order, but does not cover, in some cases all the employees. The banking industry also has begun to provide some housing viz., the Reserve Bank and the L.I.C. is moving towards giving loans for middle-class houses. Yet when one looks at the big industrial towns like Calcutta, Bombay, Delhi, Madras etc., one finds that side by side with new housing new slums also are growing.

The main hurdle in housing is the high price of land which is the monopoly of the big urban landlords and the scarcity and high cost of building materials. Unless urban housing land is taken over by Municipal Corporations, unless the building contractors and manufacturers of materials are controlled and their profiteering stopped, problem of housing will continue to be acute. The trade unions will have to fight for better and cheaper industrial housing.

Such in brief is the condition of the wages and living of the industrial working-class.

Struggles, T. U.'s and Unity

The five years since our Coimbatore Session have witnessed a remarkable development of united action on the plane of workers' struggles in defence of their demands as well as in participating in popular struggles in protest against the anti-people policies of the Government.

At our 26th Session in Coimbatore, we had noted the impact of the steep rise in prices of essential commodities and the resulting erosion of the real wage standards of the workers. We had then stated :

"By raising prices to a pitch, totally unrelated to cost of production and by refusing to increase the incomes of those who labour and produce things, the exploiting classes are earning vast super profits and running away with the cream of the prosperity and growth of the national income.

"In spite of the 42 per cent growth in national income and 20 per cent in per capita income (during the first and second five year plan periods), there are many on record who have had to commit suicide because they had not got a pie of the per capita income and had nothing to eat.

"In order to guard the interests of the country and the toiling people from these profiteering classes, who are robbing us of our labour and wealth, it is necessary to struggle. And that struggle has a two-fold aspect.

"One aspect is of general demands directed against the exploiters and their sources of power and wealth.

"Such demands are : extension of the State Sector of economy in strategic industries, land reforms in favour of the peasantry, State-trading in foodgrains, nationalisation of banks and key industries like oil, jute, plantations and mines. In view of the record of the textile and sugar millowners, in robbing the people, it is time to put them under drastic control. Abolition of the stock exchange and speculative markets is also necessary. Unless the fangs of the concentrated big bourgeois houses are blunted, you cannot control prices nor distribute the growing national income to the toiling people or use it in a planned manner for the country's development. For this, the working class along with its allies has to wage a political battle against the ruling classes.

“The second aspect of the struggle is against the direct employer for day-to-day demands on questions of wages, dearness allowance, bonus and conditions of work.”

Our 26th Session had laid particular emphasis on the struggle against the price rises and in the slogans formulated at the session, we highlighted the demand for the linking of D.A. with consumer price index numbers, providing for full neutralisation of the rise in living costs through appropriate increment in D.A.

The trade unions took up this slogan for intensive campaigning and a large number of struggles were conducted on the demand for D.A. to offset the rise in prices. Wide mobilisations were also carried on in industrial centres behind the general demands outlined at the 26th session.

In 1962, particularly after budget proposals for imposition of more tax burdens, prices shot up appreciably and the trade unions came in the forefront of the struggle for relief from taxation and for bringing down prices. In June and July 1962, in various industrial centres in the different States, united campaigns were conducted, including marches to the Legislative Assemblies, meetings and demonstrations on State-wide scale.

In the conditions of national emergency created by the Chinese aggression in October 1962, an industrial truce agreement was arrived at in a tripartite meeting of the workers' and employers' and Government representatives, the key provision of which was that while the workers would agree to hold back their strike actions, the employers must hold the price-line and put a curb on their war profits. While the workers and trade unions observed the truce, government and employers did not and no effective measures were taken to hold the price line. The result was that prices shot up and the series of additional taxes falling mainly on the working people and their consumer goods, imposed in the 1963-64 budget, meant a further worsening of their living standards by the greatly-accelerated price rises. On top of it came the legislation for the compulsory cut in workers' wages — the Compulsory Deposit Scheme (CDS), which affected almost every earning family in the country, including the peasantry.

In such a situation, in view of the attitude of the Government and the employers, the AITUC subsequently made it clear to them in the Tri-partite Conference, where the subject was raised on our initiative, that it no longer considered itself bound by the Industrial Truce Resolution and it would support the strike struggles of the workers in defence of their interests.

Taking advantage of the fact that it was a Communist Government with which India was in conflict, an anti-Communist hysteria was worked up in the country by the Congress ruling circles and die-hard reactionaries. A number of the leaders of the working-class and trade unions were arrested under the Defence of India Rules and put in prisons, without any charge-sheet, and without any evidence that they were actually engaged in any activity against the country's defence.

The set-back which the T.U. movement suffered in this period began to be overcome when once again the AITUC General Council which met in April 1963 called upon workers to observe May 29, 1963, as an ALL-INDIA DAY FOR NATIONALISATION AND AGAINST TAX BURDENS. The day was observed throughout the country.

Immediately following this, the campaign on the GREAT PETITION and the MARCH TO PARLIAMENT was set into motion. This campaign initiated by the Communist Party of India had the wholehearted support of the AITUC and its affiliated unions. This was, indeed, the mightiest nationwide movement in recent times, which brought the common people from far corners of the country together to agitate for relief from high prices, reduction in taxes, abolition of CDS, and the general demands like nationalisation of banking, etc. The CDS was opposed by all trade union centres except the INTUC. Several pay strikes were organised and huge demonstrations were held in industrial centres. More than two lakh industrial workers in W. Bengal participated in the pay boycott in August, 1963. A token protest strike was organised in Ahmedabad, in the teeth of opposition by the INTUC. In several States as in Kerala, the additional levies such as increased transport fares were resisted and some concessions were won.

It was in this background that a new type of struggle came on the scene in the call for BOMBAY BANDH of August 20, 1963. The Bandh was an effective protest by the organised workers and the people at large against the unjust tax burdens, the steep rise in prices and the demand for rise in wages and D.A. The anger of the workers was all the more when the manipulated consumer price indices failed to reflect the actual increase in cost of living and in the case of Calcutta actually recorded a fall.

In fact, the first result of the emergency was the worsening of the living conditions of the working people and the arbitrary actions of the Government, under the DIR and otherwise, to ride roughshod even over elementary human decencies. The cut in

D.A. brought about by a manipulated index had to be resisted through a BOMBAY BANDH and Government yielded by appointing the first inquiry committee to probe into the index numbers — the Lakdawala Committee.

Despite the scoffing by the bourgeois press and the Congress leadership and others, the GREAT PETITION was signed by over 10 million people. It was submitted to Parliament, with a MARCH TO PARLIAMENT on September 13, 1963, in which about two lakhs of workers, peasants, middleclass employees and political workers, who came to Delhi from all parts of the country participated.

The immediate impact of the Great Petition was the abolition of the CDS in respect of non-income-tax paying categories of the employed population as well as modification in the Gold Control Scheme which had resulted in unemployment of thousands of goldsmiths.

Among the wide popular protests over the price rises was the hartal in Calcutta on September 24, 1963.

The unity and increased consciousness generated in the campaign of the Great Petition of September 1963 was taken forward when the AITUC convened the All-India Convention of Trade Unions in Bombay in December 1963 and decided on launching of the National Campaign of the Toilers of India from January 1, 1964. The campaign was on an 11-point national charter of demands which were common to all trade unions and toiling people and included key kisan demands also.

The highlights of the campaign were :

JANUARY 12/13, 1964 — All-India Demands Day observed throughout the country, in support of the 11-point charter of demands.

THE THREE-FOLD STRUGGLE — decided upon by the National Campaign Committee at its meeting in Hyderabad on February 2, 1964 : (1) The nationwide hunger-strikes held in all industrial centres on February 20 to 22, 1964, in which over fifty-thousand workers and TU leaders participated. (2) The demonstrations conducted before all factories and offices on March 7, fifteen minutes before and after commencing and closing time. The third phase of the National Campaign, i.e., the satyagraha before Parliament in April 1964 was held over by the National Campaign Committee, in view of the serious communal disturbances in major industrial centres in eastern India.

The National Campaign helped to focus national attention over the working class demands and served as a rallying point to raise slogans on a national plane for positive alternatives to check the burden of rising prices, and played an important part in securing some of the immediate gains of the workers in this period. A number of agreements were reached at local level, providing for increased wages and D.A. Government and employers accepted, in principle, to link D.A. with consumer price indices and employers were asked to open fair price shops in industrial undertakings. The indices in Bombay, Ahmedabad and four other centres in Maharashtra were corrected and similar probes were ordered in Delhi and Rajasthan. The correction of the index meant a rise in D.A. for the workers, especially textile workers in major centres of the industry, where their D.A. is linked to cost of living index.

BANDHS — A New Form of Struggle

The compelling forces of the so-called "emergency", the rejection of popular demands and the utilisation by Government of the undemocratic and illegal "Defence of India Rules" to suppress popular struggles and to deny democratic rights over a wide field brought forth a strong reaction from the working class and the popular movement. While in the wake of the need for national solidarity and unity, to defend the country against external aggression, the working class and trade unions rallied as one man in the fulfilment of national tasks, this very opportunity was utilised by employers and Government to impose heavier burdens on the people, reject all legitimate demands and seek to crush with a heavy hand all democratic protest movements. The solidity of the movement which was seen in the unity shown by the working class at the time of the emergency became, to an extent, a rallying point to forge new weapons of united action when their interests were hurt most deeply. It was in this background that the first BOMBAY BANDH was organised by the trade unions in August 1963 and it was becoming evident that the problems were sizing up on a massive scale, requiring very massive intervention on the part of the organised trade union movement.

The year 1964 witnessed a series of BANDHS — July 31, — Kerala Bandh; August 5 — Gujarat Bandh; August 12 — Maharashtra Bandh; August 18 — U.P. Bandh; August 20 — Goa Bandh and on September 24 — West Bengal Bandh. Apart from these State-wide actions, there were centre-wise Bandh actions in Hyderabad and Coimbatore.

The main features of these Bandhs were that in these united actions, the working class and the popular masses acted together in concert, and that all trade union centres, except those belonging to the INTUC, joined in these protest actions. New forms of united action were thus noted when on parallel calls, despite having no formal understanding, the trade union centres — AITUC, HMS, UTUC, HMP and independent trade federations and unions acted together in defence of common interests.

The significance of this new feature of united action is all the more greater when considered in the light of the manoeuvres made by the INTUC and certain others to build up an “anti-communist” joint front, in order to isolate the AITUC particularly, immediately after the India-China border conflict of October 1962. This game was roundly defeated by the forces of united action which grew during this period.

It was in the background of the Bandhs of 1964 that national TU centres and independent trade federations except those belonging to INTUC and HMS met at Ahmedabad in October 1964 and decided upon the formation of the Rashtriya Sangram Samiti.

The Sangram Samiti formulated six point demands, for national campaigning and for developing appropriate all-national action.

The constituents of the Samiti were : AITUC, UTUC, HMP, Mahagujarat Janata Parishad, AIBEA, National Federation of Insurance Field Workers of India, National Federation of Indian Road Transport Workers, All-India Newspaper Employees' Federation and the All-India Cement Workers' Federation. At its meeting held on November 21, 1964, the Samiti decided that State units should be formed and as per this decision, in most of the States, Samiti units were set up. In these State units, especially in West Bengal, independent TU organisations like those of the teachers also joined in. In Rajasthan, the Action Committee of Trade Unions consisted of the Local HMS unit also.

The Samiti at its meeting on July 4, 1965 decided to convene an all-India T.U. Conference to discuss proposals for all-India action. This convention could not be held as was scheduled but an extended meeting of the Sangram Samiti met on August 24 and 25, 1965. From this meeting, the Samiti issued a call for all-India action on September 21. However, following the Indo-Pak war and the invasion of Kashmir, the Samiti had to call off the struggle and September 21 was observed instead as NATIONAL SOLIDARITY DAY.

By early 1965, the food situation had begun to rapidly deteriorate and the price rises continued unabated. In Bengal, the people rose in action against the rise in train fares, there was a hartal in Calcutta on July 30 followed by a BENGAL BANDH on August 5. By far the most widespread action was witnessed immediately after on August 9 PATNA BANDH followed by the BIHAR BANDH on August 11.

The Bihar Bandh was particularly noteworthy for the mass participation of the State Government employees and students who took part in actions in a most determined manner. Government let loose a reign of terror in the entire State and some of the State Government employees' leaders detained under the DIR are still in jail.

The Indo-Pak hostilities of September 1965 called a sharp halt to working-class action in defence of their interests against the attacks of the employers and the unity that was growing through these common struggles. The trade unions voluntarily postponed their struggles when the nation faced external aggression. The experience of the emergency period of 1965 for the workers was again reminiscent of its experience in the post-1962 period when employers and Government utilised the opportunity to mount further attacks on the workers' standard of living. Following the 22-day war and the embargo on supplies imposed by the British and American imperialists, there appeared a new crisis in our economy. The brave workers of Amritsar and other border areas of Punjab who constituted the most active "rear" for our armed forces and gave splendid civilian support to the army, were left in the lurch immediately after the end of the hostilities. Employers ran away without paying wages and later began to dismantle machinery and equipment to shift them to other centres. It required a grim struggle on the part of the Punjab workers to secure some relief from the Government.

The food situation worsened early this year and in protest against reduction in rice rations (to a miserable four oz. rice ration), the workers and people of Kerala organised the KERALA BANDH on January 28, 1966. This Bandh action was unique in that every trade union centre (including the INTUC) and every political party (including Congress) had to come in support of the call for the Bandh which was the first major protest action against the Government's bankrupt food policy. As a result of the Bandh, the Central Government which had a special responsibility to feed Kerala under the single State zone arrangements, had to increase the rice rations.

The people of Bengal were forced into an action soon to ward off the reappearance of the grim days of the Bengal famine of the second world war period. It started with the students coming on the streets to demand food, they were fired upon and the working class and the people of Bengal organised the most united and the mightiest and most militant protest movement that was ever seen in its history, since independence. The protest movement was massive and braved the worst orgy of repression. In police firing and the clashes between the people and the police over 50 people were killed. The popular outburst of anger led by the organised working class embraced all the toiling masses, including the middle-classes and the BENGAL BANDH of March 10, 1966 was an unprecedented event, all life in the whole state was at a stand-still. The trade unions in West Bengal, the students and youth masses bore the brunt of the police repression and hundreds of them were thrown in jail.

On March 14, Calcutta city witnessed the most eloquent "silent demonstration" in memory of the martyrs who were killed in police firing. They came "in wave after wave" and no policeman was needed to control the procession. And, the eloquent silence, discipline and peacefulness of the demonstration, gave the lie to the Government propaganda about people taking to "organised violence" and conclusively proved that it was only the provocation from the Government side which inevitably called forth a strong reaction from the people in defence against police violence.

The Government of West Bengal held negotiations with the United Left Front but failed to meet the demands of the people, especially in the matter of increased rations and release of prisoners.

For the second time within a month, Bengal Bandh was called again on April 6, 1966. Two such massive actions in quick succession showed the seething discontent which had gripped the people of West Bengal on the issues of food shortage, police repression, arrests and imprisonments, and violation of democratic rights by the Congress Government. They also gave evidence of the militant and determined mood of the masses.

Industrial Actions

In the period under review, industrial actions by the working class witnessed a remarkable sweep and ever broader sections of the workers of all trades and middle class employees were in the vortex of the struggle. While the struggle against the price rises and for making up loss in purchasing power through increases in

wages and D.A. assumed forms of united class actions as industry-wide and state-wide general strikes and bandhs, there were innumerable struggles on the local and regional plane on these as well as other issues.

Widespread protest actions were organised by the workers against the anti-labour policies of the Government. For example, on the rejection of the Bonus Commission's recommendations by the Government and the acceptance of Dandekar's minute of dissent, there was a nationwide campaign. Most significant of these protest actions was the token strike of two lakh textile workers of Bombay on June 7, 1965, immediately on the announcement of the anti-labour Bonus Ordinance on 2nd June.

On the wages question, many trades had moved into concerted action. In plantations where wages are, indeed, the lowest, the Wage Board appointed six years ago, has only just submitted its report, which gives a wage-rise so miserable that they do not mitigate the misery of the worker in any appreciable manner. The employers in West Bengal refused to implement the statutory provisions under the minimum wage fixation, providing for a D.A. revision. Against this, on August 2, 1965, over two lakhs of plantation workers in West Bengal went on a token strike. Mass hunger-strikes were organised in Dehra Dun plantations protesting against the delay in the wage board recommendations. On April 11, 1966, two lakh plantation workers employed in over 200 estates in Kerala struck work on April 11, on the issue of bonus for 1963 and protesting against the wage board's recommendations.

The struggle of the workers in the low-wage areas and industries was particularly marked in this period. Important among them is the strike of bidi workers in several States, the strike of tailoring workers in Bombay and Delhi, the struggle of the cashew workers in Kerala and Karnatak, the determined strikes of iron ore mine workers of Barbil (Orissa) and BSP mines (Madhya Pradesh) to secure even the interim relief awarded by the Wage Board. Recently on March 28, 1966, there was a complete strike in the captive mines of the Bhilai Steel Plant protesting against the unjust discrimination in D.A. rates as between the steel plant workers and the mine workers. Jute mill workers in Andhra Pradesh had go on prolonged strikes as for instance, in Bajrang Jute Mills for nearly three months in 1964, over the wage demand.

In West Bengal jute industry, over two lakhs of workers went on a token general strike on February 13, 1964, protesting

against the unilateral decision of the employers on the question of working hours. The strike was jointly called by AITUC, INTUC, UTUC and HMS. On December 1, 1964, the jute workers of West Bengal went on a strike demanding enforcement of the Bonus Commission's formula on bonus as against the Wage Board formula.

The struggles of the workers engaged in construction work of major projects for adequate wages as well as for placement in suitable jobs after completion of the projects were particularly sharp during the last few years. In this category also fall those large number of workers employed for railway construction work, departmentally. In almost all construction projects, workers had to fight braving severe repression for even certain elementary demands. There was the strike by the construction workers in the Barauni area. Another example is the firing on Tarapore atomic power plant construction workers and the strike of the vitro workers of the same Bechtel Co. In Bhilai Project, the workers who have been employed for about a decade in the initial construction and expansion work of the project had to struggle for job security.

In cotton textile industry, workers in several centres had to fight prolonged struggles for getting units which were closed due to fraudulent practices by employers, reopened and worked by Government. In this connection, they also had to fight against the policy of the Government in imposing wage-cuts and withdrawing several other privileges for the period the Government manages the mill, in the name of rehabilitation of the industry.

Lately, the attack on workers' wages and D.A. in the cotton textile industry has become all the more serious and the workers had to fight against the offensive of the management. Nearly 3.75 lakh workers in the state of Maharashtra went on an industry-wide general strike on Dec. 30 against closures, retrenchment and the threatened wage cut, and the denial of bonus. And, on the same issues, the Bombay textile workers went on a 12-day general strike from February 28 to March 12, 1966. This strike demonstrated the will of the textile workers to resist the offensive of the millowners with all their strength. It had a successful outcome when the Maharashtra Government made an agreement with our Union for expeditious payment of the Bonus and opposition to D.A. cut etc. In pursuance of this agreement Rs. three crores were paid on 30th April with another instalment to come. The textile workers in Nagpur organised a general strike from March 21 to 27, 1966, and in Sholapur, there was a complete

hartal against the cut in D.A. and for bonus on March 18, 1966. The threatened closure in Hinganghat led to serious conflict in which a manager was killed. The D.M.C. mills were locked out and the workers had to literally take possession of the mill to save it from being destroyed by the very anti-social elements, whom the the management had so long used against the Union.

In Rajasthan, there were hunger-strikes and Bandh in which there were mass arrests.

The NGOs of Andhra and the workers of the Praga Tools had to fight struggles and won successes: the B category workers in the docks in Calcutta helped by one day sympathetic strike by all port and dock workers despite the opposition of the officially recognised Federation of H.M.S., has re-awakened old history of the Calcutta dockers. The port and dock workers of Goa, Kandla, Vizag, Madras and Cochin have achieved some of their demands, and are awaiting the results of their Wage Board. And when you remember these dogged prolonged strikes, you can also see the Reserve Bank Employees observing a 90 minute strike of protest against wrongful promotions.

The glorious 52-day strike of 15,000 workers in Amritsar textiles from April 10 to June 1, 1965, was another instance of the determined struggles the workers had to lead even to secure the implementation of the agreed recommendations of the Minimum Wage Committee.

It is to be noted that this struggle was led heroically by our AITUC union, forging unity with other Trade Unions, even while the Indo-Pak war was on at the borders and in the teeth of unprecedented mass repression.

The strikes over the bonus issue have been quite widespread in the recent period. The workers in all trades have been involved in bonus struggles and these struggles did help to gain a higher quantum of bonus. The settlements and agreements on this question are quite numerous and it is difficult to catalogue them here.

The traditional feature of bonus struggles as the mobilisation of whole areas and industries around bonus demands as it happens in 'Puja Bonus' struggles in West Bengal and similar struggles in other States before Diwali has assumed more developed forms over the years. Particularly significant were the struggles in Bengal in 1965 after the promulgation of the Bonus Ordinance, and the concessions secured after militant struggles in getting a

higher quantum of bonus than what was provided under the statute.

The Jay Engineering Workers' Strike from December 17, 1963 to May 27, 1964 took place primarily over the bonus issue. The strike in which over seven thousand workers participated was marked by the determination and unity displayed by the workers, and especially when communal disturbances had broken out in Calcutta when the strike was in progress. The solidarity movement with the Jay Engineering strike was also great. Rallies, demonstrations and processions were taken out in support of the strike and thousands of rupees were donated as solidarity fund. On April 16, the overwhelming majority of the 1½ lakh engineering workers in West Bengal went on a one-day sympathetic token strike. The dispute was ended by reference to a tribunal.

A struggle of similar intensity was the strike in the tile factories of Commonwealth Trust (a foreign-owned concern) from April 10, 1961 to May 12, 1961. The strike was over non-payment of the four per cent minimum bonus which was agreed as per a tripartite agreement. The strike was supported by the AITUC, INTUC and HMS.

In 1961, West Bengal also witnessed the hotly contested bonus dispute and lock-out in Birla's Hindustan Motors, the lock-out lasting from October 10 to December 9, 1961. On December 6, Hind Motors Day was observed throughout West Bengal protesting against the brutal police repression on the Hind Motors workers, in their struggle against the lock-out.

The bonus struggles in Bombay cotton textile industry since 1962 onwards led by the AITUC have had an important contribution in the determination of bonus payments in the country in general. Significant in this regard was the huge demonstration of 50,000 textile workers in Bombay on August 30, 1962, and the call for strike given by the MGKU over the bonus for 1959, 1960 and 1961. A day before the strike was to begin, on September 23, the millowners accepted the mediation of Chief Minister Y. V. Chavan. The Chief Minister's award on bonus was that Rs. 10.7 crores should be paid as bonus for the three years. Similar struggles had to be organised by the textile workers over the bonus demand in subsequent years, including the recent 12-day strike already referred to.

The Bonus struggles in the Textile industry of Coimbatore region attained the widest sweep of Trade Union unity and militancy in 1965.

These are by no means isolated instances of bonus struggles. In fact, no trade or industry remained unaffected by bonus struggles and with the enactment of the Payment of Bonus Act, the struggles are both on the broad policy plane as well as for obtaining the maximum bonus through assertion of the collective strength of the workers. Bonus movement in coal mines has been quite intensive in the recent months.

Public Sector

The public sector units which developed and expanded during the period under review did not develop stable industrial relations. It required the united struggles of workers to get even labour laws, etc., implemented. The public sector managements refused to implement awards and agreements. Workers had to organise many determined struggles for elementary T.U. rights in some of the public sector units.

Notable among these struggles was the strike of the Pimpri Penicillin factory workers in June 1964 to secure the implementation of the Meher Award. The Meher Award had firmly rejected the plea of the management to link public sector wages with the Pay Commission scales and the management went in appeal to the Supreme Court. The workers' strike resulted in a compromise settlement.

The worst ever orgy of repression was unleashed by Government in the Heavy Electricals plant in Bhopal which had strikes almost every year from 1961 to 1964. All these strikes were provoked by the anti-labour policies of the management, and despite the overwhelming support enjoyed by the Heavy Electricals Servants Trade Union (HESTU), an independent union, the Government imposed an INTUC union on the workers. The repression on the workers in 1964 was the worst ever and all the leading employee trade unionists were arrested and detained under the DIR, some of them till very recently.

In all the public sector plants, the workers had to organise departmental and local struggles to secure their demands. The struggle for securing collective bargaining rights for the really representative unions is continuing.

The struggles of the public sector units in Bangalore were led by the trade unions there with a good deal of coordination. In the Indian Telephone Industries, certain interim relief was won through an arbitration award in 1964 after a strike. The BEL workers were forced into a strike in protest against the non-implementation of the award. Recently, on April 11, 1966, the workers of the HAL and BMEL went on a token strike over the bonus issue.

Struggles over the wage demand were quite pronounced in most of the public sector units. And it was equally intense for T.U. rights and against victimisation — the reprehensible manner of removing workers from jobs over alleged police verification reports.

Government Employees' Movement

The period under review has witnessed a remarkable growth of the Government employees' T.U. movement. Apart from the Central Government employees, including the industrial categories in railways, defence, P. & T., civil aviation, etc., what was of particular significance was the upsurge of the State Government employees' T.U. movement. The struggles of the State Government employees in almost all the States assumed forms of action which displayed a militant character. Similar intensity was seen in the movement of the teachers. The industrial employees under the State Governments such as in road transport, electricity, etc. were also active in struggles. A degree of co-ordination between the administrative employees and the industrial workers under the State Government was achieved in the course of this struggle. The most outstanding achievement of these struggles has been the gradual removal of irrational inter-regional disparities in wages, chiefly the large gap in wage and D.A. rates as between the Central and State Government scales. But the salaries and D.A. scales are still uneven and if the Finance Ministry's proposals to freeze D.A. are carried, there will be an upheaval again.

The organised T.U. movement in the Central Government sector of employment was able to gain through struggles periodic revision of D.A., certain improvement in house-rent and city compensatory allowance.

Overall Position

According to statistics of the Labour Bureau, Government of India, the figures of industrial disputes resulting in work stoppages, man-days lost, etc., during the last five years, were as follows:

Year	No. of disputes	No. of workers involved	No. of man-days lost
1961	1,357	5,11,860	49,18,755
1962	1,491	7,05,059	61,20,576
1963	1,471	5,63,121	32,68,524
1964	2,151	10,02,955	77,24,694
1965 (P)	1,740	8,02,741	62,98,742

(P) Provisional figures given in L.M. Report, 1965-66.

It will be noticed that in 1963, number of man-days lost due to work stoppages had declined considerably; in terms of workers involved, it was higher than in 1961. This shows that although the workers showed restraint in action during the year in an abnormal emergency situation, the policies of employers and Government were such that workers were forced into actions. Similarly, in 1965 also, when the workers had held over all calls for direct action at the time of the Indb-Pak conflict, even during the other months, the intensity of struggles was such that as many as 8.02 lakh workers were involved in direct action.

During this period, the year 1964 had seen the largest number of disputes and struggles, the highest number of workers involved and the highest number of man-days lost. A Labour Bureau study on the causes of the strikes, etc., during 1964 is given below:

	No. of Disputes		No. of workers involved		No. of man-days lost	
	No.	%	No.	%	No.	%
Wages & Allowances	740	34.9	2,87,395	28.9	27,46,579	35.7
Ponus	167	7.9	1,39,511	14.0	6,89,570	8.9
Personnel	567	26.7	2,01,155	20.2	17,52,325	22.7
Retrenchment	16	0.7	1,865	0.2	20,674	0.3
Leave & Hours of Work	42	2.0	23,869	2.4	23,881	0.3
Others	590	27.8	3,40,668	34.3	24,72,152	32.1
Not Known	29	—	8,552	—	19,513	—
TOTAL	2,151	100	10,02,955	100	77,24,694	100

Recent Struggles And Notable Features

In order to better understand the variegated character of the innumerable strike struggles and protest actions of the workers, the understanding of the situation that the workers themselves

reveal and the conclusions that they suggest, we ought to have a far more detailed review and diary of all the struggles during this period. But the pressure of the work of these very struggles has prevented all concerned from carrying out such a review. We should, however, try to comprehend the new features of the situation as revealed by the struggle waves of the last three years.

The number of strike days fought in 1963, 1964, 1965 and the six months of 1966 show an ascending curve in the resistance, which the workers are putting up against the ruling class in order to defend their wages, employment, their rights and organisation.

The workers do not strike simply because their leaders or Unions ask them to do so. There are instances when the leaders or the Union call a strike but nothing happens; and also instances when workers act on their own before the Union has moved.

There are also struggles which have been doggedly fought lasting for five or six months and nothing tangible has been gained and the struggle had to end where it started with just a reference to a tribunal or arbitration. Even then it does leave some valuable lessons behind to guide the future.

The rising tempo of the movement shows that the workers and their unions are acting in unison. Without such a persistence, these struggles would not have been there.

The comparatively quiet year of 1963 with 3.3 million man-days of strikes burst up to 7.7 million in 1964. This was the year of the series of Bundhs referred to above. It was this series that made the Bundh idea and the technique of unity that is required for it that caught and carried forward the movement in 1965 and 1966.

The intervention and diversion of the Indo-Pak war did not affect the strike movement much. The workers called off their struggles dutifully during the period of the war, but resumed them with full force soon after. The reason was that the Government thought that emergency and D.I.R. and the patriotic sentiment would hold back the worker from action even after the war was over and all the tension had not yet gone down. The Government's failure to handle the food situation and control the hoarders and bankers deprived it of all the credit it had gathered in the defence of the country. The workers moved into action again.

The Government's failure to curb the monopolists and its pig-headed resistance to lifting the emergency and the DIR even

when the courts and all public opinion had ruled against it helped to move the masses and the year 1966 already has seen more widespread actions than ever before.

Not only have struggles grown in number and intensity. They have covered all the States in India and all industries and trades with only one exception and that is the railway system. The railways have not had a unified all-India action for the last twenty years. There have been ballots for strikes and concessions won along with other Government employees but no all-India action, which could have forged the railway worker into a powerful leader of an all-India struggle.

In the last two years, not only industries, mines, road transport, ports and docks have had their struggles but even the Government employees particularly in the regional State sector have taken to forms of action suitable to them, and have won successes.

The impact has been such that even the Auditor General's Czarism, which had refused to pay heed to their employees' struggles, gave them back their recognition. Perhaps the change of the Auditor General also had something to do with it. Any way it enlivened that section.

The Government employees' struggles are gradually bringing into acceptance the view that all Government employees as common employees of the State as a whole must get identical wages and identical rights.

In this period, the educational services have had to act as also sections of the medical services of the middle ranks. University professors and teachers, generally used to shouting at the pupils, for once began to shout at their employers. It was a sight to see professors, who taught from the text book that rising dearness allowance to workers leads to rise in prices, now saying exactly the reverse and asking for dearness allowance for themselves contrary to the text book. They established an action committee also and descended to the level of trade unionism from the ivory heights of the pure intellect. It was a good change and made them human and enabled them to see the misery around.

Food having been common platform for all, in the recent period, the students and workers began acting together. This new unity is the biggest gain of the period. When the students of Quilon in Kerala were beaten and professors, and principals, who protested were threatened right inside the sanctuary of their colleges, a new unity between the teacher and the taught, between the worker and the student, was forged.

None of the principals, whom I met was interested in politics or any radical views. And yet they protested and asked — Will the Government not keep the educational institutes free from violation by the police? Could not schools and colleges be given that status of a sanctuary, which some of the medieval churches secured from despotic Kings, whose pikemen could not arrest even a criminal once he got into the sanctuary of a cathedral.

The emotional and ideological churning that the Indian intelligentsia got in this period is a new feature of our situation.

The impact of the struggles in these years has leapt over the boundaries of parties and rigid narrow loyalties. One important outcome is that large sections of congressmen have ceased to resent the struggles and some have even come to support them from a democratic point of view. Hence many congressmen joined in the view that all T.U. and political leaders be released and the D.I.R. scrapped.

The struggles in the last two or three years attained new heights of militancy and boldness, one of the reasons being that some of them were driven forward by actual starvation like in Bengal and Kerala. Struggles in other areas, though fought with intensity and boldness too, had not that inflaming factor of actual lack of food altogether to drive them forward, as was the case of the student boy of Krishnanagar, who was shot. The Amritsar textile strike lasting for nearly two months or the Jay Engineering for five months had a different setting than the Bengal Pundhs of March and April this year. These two have churned the whole of Bengal top to bottom in a new way.

In the recent struggles, people have ceased to fear the police or the firing. And the sweep of the movement was so wide and deep that in many cases, military forces were called in to save the civil power from being over-run.

New prosperous industries where workers are not badly paid began to go into action in these two years. We have before us the Pharmaceutical industry. There the simple question of the "marriage-clause" started gathering momentum and the pharmaceutical workers began to go into strike actions on other questions too. Mere payment of high wages does not stop a worker from fighting for his rights.

The working women got together on their special platform: the demand for cheap Burshane gas for the harassed housewife and some water in the water-taps. An attack on the oil compa-

mislead the Government, which could not give the gas cheap, even though it was a waste bye-product and such other demands sent ten thousand women in Bombay City into a march to the Secretariat.

During the last few years, a new working-girl drawn from middle-class families has come to the workshops and offices. The T.U. movement must encourage women to enter factories and offices for work and give them special protection and reservation as working women. Unless women take part in the T.U. work and struggles, there can be no democracy and no socialism in this country, even if the working class comes to power.

A new young worker, who had never seen the National movement nor the old class-struggles, has entered the factory. His outlook on life and culture, his mode of behaviour and struggle, his hopes and illusions require a new approach from the trade unions. This new force has been thrust into action in the last two three years. Along with Nationalism and National pride roused by such things as Indo-Pak war, experience is teaching him to look at things from the point of view of his class also. Today, in his mind, National defence and class-struggle are not contradictory. That is perhaps one reason why immediately on the wake of peace, strike struggles flared up everywhere. The Congress Government can rally him for defence of the country but cannot detach him from fighting for his interests as a worker. With the experience of the old worker by his side, he is learning the lessons and becoming class-conscious.

It was one of the directives of the AITUC to its Unions that during all these struggles, the leadership must popularise the defence of Vietnam and denounce the aggression of the U.S. imperialism, which has taken up the role of gendarmette of the world reaction against Peace, Democracy, National Revolution and Socialism.

The AITUC also has seen to it that the struggle in one place gets solidarity from workers everywhere, including international solidarity in which the World Federation of Trade Unions plays a big role.

With all this, the movement has its shortcomings.

Against Emergency and D.F.R.

The period under review has been marked by the draconian repression used by the Congress Government, both at the Centre and in the States, against political and Trade Union leaders and

against mass struggles, utilising the Emergency Powers and the D.I.R.

While profiteers, hoarders and black-marketeers were freely allowed to play havoc with the country and the people, the Congress Governments directed the whole fire of the Emergency Powers and the D.I.R. against those who were fighting in defence of the common man's interests.

Right from 1963, the AITUC has been campaigning for the lifting of the Emergency, scrapping of the D.I.R. and the release of all political prisoners. This demand became one of the central points of the Sangram Samity platform and of the Bundh movements of 1964, 1965 and 1966.

The demand for lifting of the Emergency and release of political prisoners has been brought forward by the AITUC unions in the course of the several mass struggles led by them on different issues during this period.

It was because of such a wide and persistent movement that the demand subsequently acquired mass support from all quarters and all parts of the country, including eminent jurists and sections within the ruling party itself.

It is because of all this that the Congress Government has now been forced to release political detenus, all our comrades of the political and T.U. movement who have been victims of its illegal tyranny.

But the fight for the complete scrapping of the Emergency Powers and the Defence of India Rules has to be continued until they go to the dust-bin, lock, stock and barrel.

T. U. Unity

In these last two years, actions were taking place on a more united basis than before. In fact, no Bundh in any area is possible without unity in some form, thru direct or indirect understandings among all the effective trade unions.

Formal united fronts have also been coming into being from issue to issue like in the Rashtriya Sangram Samiti, which however, has caught some wider roots in Bengal, Andhra, Kerala and Gujarat, though centrally it is almost in a freeze.

In many struggles in this period, the INTUC unions have joined hands with others.

A tendency is growing in some sections of the INTUC leadership that they must overcome their bad reputation as black-legs of the bourgeoisie. And so they too give strike notices and join in common actions. A common front of all the national T.U. centres has to be brought about for winning more successes.

The Sixth World Congress of WFTU discussed this question of unity and struggles on the international level and called upon all forces of the working-class to unite.

The question of unity has now arisen in the AITUC itself, following from the political differences that have cropped up in its leadership and have reached right to the trade union ranks.

The AITUC has had several splits in its history of forty-six years, due to political differences. It split in 1929 into two and again split in 1930. It took eight years to reunite all under the same banner.

The war once again virtually split it but formally it remained one, until the Congressmen and the Socialists walked out in 1947. Then there was a further split in 1949, which was partly healed in 1953. Since then we have gathered more experience and more strength.

We hope we shall continue to remain united despite political differences among ourselves, though already rivalries on Union levels in some places are marring unity and united action.

At present something like seven national centres (including the one of Jania Sangh) speak in the name of the workers. Besides there are quite a number of industrial federations, some of them independent of any Central T.U. Organisation, some as part of them. There are thousands of workers who seek the help of all of them and want all to unite.

Experience of the last two years in particular has been extremely fruitful in the field of building Trade Union unity. It has demonstrated that pro-unity trends are coming forward in most of the national T.U. organisations in response to the urgencies of the present situation and united actions in different forms, including 'striking together while marching separately', are springing up.

Among INTUC sections also, in certain States, urge for united action is making itself felt.

The present serious situation facing the working-class, and facing the country — the attacks of the American Imperialists

and attacks of the monopolists against the working-class — renders Trade Union unity more imperative than ever before.

A common front of all the national T.U. centres and all the independent Federations, on the basis of a common platform of United Trade Union action, has to be brought about, if the working-class and the nation are to advance.

The AITUC must take the initiative to work out and popularise such a platform of T.U. unity and initiate discussion around it with all our brother organisations and do everything possible to bring into existence such a common front of widest T.U. unity.

Secret Ballot for Recognition :

The employers try to play one Union against the other and most of them, so far, have preferred to give recognition and patronage to the INTUC. But in many places, the INTUC has no hold over the masses, except in so far as it can command the patronage and support of the Government and the employers. That compels the workers to enrol in the INTUC but they desert it in times of struggles.

In the recent wave of struggles, the INTUC workers joined in the common fight and only a few leaders were left to do black-legging and that too unsuccessfully. Even then the INTUC has still a following in some areas, which should not be neglected.

The AITUC has been agitating for a long time that the recognition of unions and their representative character should be decided by a secret ballot of the workers in the trade or factory or by the T.U. members of all the unions in a given plant or trade. The Labour Panel of the Planning Commission accepted this principle and the INTUC leader also agreed to it but he was later disowned by the bigger bosses.

Even the employers have got fed up with this state of affairs and many of them are now inclined to accept. In the recent textile strike in Bombay, the INTUC was thoroughly isolated and exposed, though it is recognised both by the employers and the law as the representative union. The Government had to make an agreement with the unrecognised Girni Kamgar Union, which has enraged the employers very much. This rage was expressed by the President of the Employers' Federation of India, Mr. Naval Tata, at their thirty-third annual meeting in Madras.

The employers' president criticised the INTUC for its failure "to deliver the goods" and prevent the strike. He criticised the

Government for its patronage to an ineffective body and its insistence on the employers to recognise it for political reasons. Then he denounced Government for settling the dispute with our Union and thus virtually recognising it. Ultimately, disagreeing with Tata and denouncing us also, the "Commerce" as the organ of big business says:

"The present system of recognising the unions needs some modifications, if the present anomalous position is to be rectified. One just does not understand the Government's reported stand against the recognition of unions through secret ballot." Then the journal goes on showing the advantages and would-be results of such a system.

The AITUC maintains its stand in this matter. In fact, secret ballot will be the best instrument to ensure democracy in the trade unions and will help in unifying the various trade union centres ultimately into one, beginning with pacts for common panels of election and common platforms. Secret ballot in the country is one of the instruments of political democracy. It can be made an instrument of trade union democracy and unity in the factory, if it is used as a method of recognition of unions.

The AITUC as the faithful adherent of the World Federation of Trade Unions is carrying out the general line of the World T.U. movement as evolved in the last Sixth World Congress held at Warsaw, in the spirit of proletarian internationalism. The AITUC is pledged to fight imperialism and defend National independence from imperialist threats and internal reaction. It is against world war and for peace and peaceful co-existence. It stands for friendship with the socialist countries and the newly liberated democracies of Asia, Africa, and Latin America. It stands for solidarity of the international working-class of all countries, supports T.U. unity and the class-struggle for a true democracy and socialism. It desires all democratic forces to help Vietnam against U.S. imperialism.

The AITUC wants India to be strong and develop her industries and agriculture for the common good, to develop on the basis of democracy and the rights of the working people. The AITUC declares its solidarity with the intelligentsia, the students and youths, the middle classes, technicians and scientists and all working women in their efforts to build a better future for the country, for themselves and for all toiling people.

The AITUC declares its solidarity with the fighting kisan millions of our country and pledges to do everything to further the cause of worker-peasant alliance.

The AITUC will defend the gains of national independence and fight for democracy and socialism for the benefit of the Indian people and all mankind.

- ★ LONG LIVE THE A.I.T.U.C. !
- ★ LONG LIVE THE W.F.T.U. !!
- ★ LONG LIVE THE INTERNATIONAL WORKING-
CLASS AND UNITY !!!



All-India Trade Union Congress

27th SESSION
Bombay

DRAFT T. U. UNITY PLATFORM

Proposed By

Com. P. RAMAMURTI

SIXTEENTH—TWENTYSECOND MAY, 1966

The following is the text of the Resolution on T.U. Unity adopted by the 27th Session of the A.I.T.U.C.:

This session directs the new working committee to prepare a draft platform of trade union unity and united action and put it before the central organisations and federations for discussion and evolve an agreed platform. In formulating the proposed draft, the working committee should keep in view the following points:

T. U. Unity Platform Draft

Proposed by Com. RAMAMURTI

Alarmed at the growth and strengthening of the world camp of socialism, and immense victories in the struggle for national independence, the imperialists and chiefly the U.S. imperialists have stepped up their preparation for a world war.

They resort to subversion of regimes in the newly liberated and independent countries which refuse to become stooges of the U.S. imperialists as in Ghana, Congo, the Dominican Republic etc.

Failing to prevent the independent development of those countries, which did not fall into their neo-colonial manoeuvres due to the disinterested aid given by the socialist camp countries, above all the Soviet Union, the imperialists began to offer their so-called aid to win vital positions in the economy and political life of these countries, use them as levers to buttress reaction in these countries and to draw them into the structure of neo-colonialism.

In the name of containing communism, they build bases round the Soviet Union, China, the G.D.R., and other socialist countries and also in and around some independent developing countries. They are conducting a fiendish war of aggression in Vietnam to drown the struggle of the Vietnamese people for freedom, democracy and socialism in open violation of the Geneva accord of 1964.

The Government of India, although following a general policy of non-alignment has, in its anxiety to get aid from the US, kept silent on many of these activities and designs of the US imperialists. More particularly it refuses to condemn the US war as aggression in Vietnam, despite its responsibility as Chairman of the International Control Commission.

All these objectively facilitate the US plan of world domination and threaten India's freedom and independence.

The Trade Unions in India must mobilise the Indian working class to expose the machinations of the US imperialists and demand of the Government of India to take a firm and forthright stand of condemnation of the US imperialism. In particular, the Government must demand the withdrawal of the US armed forces from Vietnam and leave the people free to evolve their own mode of life.

Eighteen years after independence India is facing a deep economic crisis. Despite some economic development and the three five-year plans, the people have been suffering from acute shortages and are fleeced by mounting taxation and high prices.

Food production has stagnated in the third plan. Industries are working under capacity. The foreign exchange crisis is very acute. The worst feature of the crisis is that the country is facing food crisis of an unprecedented nature. Lakhs of people in Orissa, Bengal, Rajasthan and other parts of the country are facing famine conditions. In other parts prices of food-grains are so high as to make them unavailable to the people. Unemployment is mounting fast.

This crisis is not fortuitous. The Congress Government has been seeking to build capitalism in India. It refuses to liquidate landlordism and give land to the tiller. Its policy of building capitalism by means of taxing the masses and by inflationary deficit financing have resulted in concentration of wealth in the hands of a handful of monopolists and heaped misery on the people.

Unable to unleash the forces of production and the inventive genius of the Indian people, it relies on foreign imperialists for technical know-how. Unable to mobilise the entire resources of the country for development by its capitalist path, it relies on foreign capital and imperialist aid for capital resources. It has let loose a flood of foreign collaboration agreements, which became adverse to our national interests.

Refusing to take firm measures against the hoarders, financiers and landlords it relies on Import of PL 480 Food-grains from the US to mitigate the hardships of the food shortage.

All these have enabled the imperialists to intervene more intensively in India's internal and external policy. They use the crisis to exert pressure on the Government of India and dictate terms for their aid which undermine our independence.

They also use the conflict with China and Pakistan to further intensify their intervention in our affairs.

All these policies have resulted in a terrible attack on people's standards. The working class has faced big attacks on its real wages, bonus and other conditions. Work load has been increasing continuously. These measures have been resorted to in order to find capital for the capitalist path of development. The govern-

ment is surrendering one position after another to the imperialists and if this is not halted and reversed immediately the country's independence will be in danger.

People during the last three years have risen in struggle against these attacks. The Government attempted to lull the working class by conceding a partial linking of D.A. to the Cost of Living Index and a smallest possible quantum of bonus and promises of a need-based minimum wage. But when the working class found these to be totally inadequate to meet their needs they have begun to struggle with greater intensity.

The Government has sought to drown these struggles in repression. The Emergency and the DIR are being continued only for the purpose of suppressing the people, though the people's struggles and demand for withdrawal of emergency has forced government to retreat.

The working class and Trade Unions in India, though acting together, from time to time in general strikes and Bundhs, are divided in many national centres and rival unions. This disunity weakens the class struggle of the working class. To overcome this disunity, we appeal to all unions and their rank and file and leadership to unite in a common organisation for common action for the following demands:—

1. Nationalise the Banks and the Food-grains trade;
2. Take over and nationalise firms owned or controlled by foreign monopolists; break up and nationalise the seventy-five monopoly houses listed by the Monopolies Commission;
3. Stop collaboration agreements with the imperialists and refuse their aid on humiliating conditions;
4. Nationalise Import and Export trade;
5. Introduce immediate land reforms giving land to the tiller;
6. Fix and enforce by law fair, minimum prices to the peasant for his agricultural produce; and guarantee supply to him at reasonable prices essential articles for his every day use;
7. Institute substantial reduction in prices, especially of food-grains and all essential commodities of life: reduction in those taxes which mainly fall on common people;

8. Give an all-round 25% increase in the wages paid at present to all workers and employees of both the private and public sectors;
9. Link immediately all D.A. with consumer price indices on a sliding scale; where no separate D.A. is paid the consolidated wage to be linked up with the consumer price index;
10. Cent per cent neutralisation for every rise in the cost of living to be automatically ensured for workers of all wage categories through a sliding scale D.A.;
11. Correct and revise fully the existing wrong official cost of living index figures and their construction to be made subject to the supervision of a suitable tri-partite machinery;
12. Institute immediate fixation, and wherever necessary, revision of minimum wages for industries and trades covered by the Minimum Wages Act, and immediately implement wages already fixed thereunder; adequate minimum wages for agricultural labour;
13. Take over by Government of all plants and mines which have been closed down by employers despite their being productive units;
14. Public sector workers to have the same democratic rights as in the Private sector;
15. Take initiative to resolve the India-China and Indo-Pak differences in the spirit of the Tashkent Declaration.

This Congress calls upon the trade unions to mobilize the entire working class in unison with all democratic forces for the struggle against imperialism, against the Indian reactionaries and against the Congress Government with a view to replace it by a Government which will go in the direction of the above platform.

All-India Trade Union Congress

**27th SESSION
Bombay**

RESOLUTIONS

SIXTEENTH—TWENTYSECOND MAY, 1966

For want of time, most of the Resolutions had to be sent to the new working committee for finalisation.

Only the more important general resolutions are included in this volume.

Resolutions

ON SOLIDARITY WITH VIETNAM

The 27th Session of the AITUC expresses its total and unequivocal condemnation of the brutal war of aggression, which is being conducted and intensified by the US imperialists against the people of Vietnam. On behalf of the organised workers of our country, we call for an end to this barbarous war, for the immediate and unconditional withdrawal of the American troops from Vietnam, strict observance of the terms of the Geneva Agreement of 1954 and recognition of the National Liberation Front as the sole representative of the South Vietnamese people.

The AITUC expresses its firm solidarity with the unfettered right of the Vietnamese people to their national independence and sovereignty, to the reunification of their motherland under a regime of their own choice.

It warmly salutes the heroic struggle of the Viet Cong freedom fighters and extends its heartfelt sympathies to the hundreds of thousands of men, women and children who have been made innocent victims of the blood-thirsty US campaign of mass extermination and torture of the civilian population with the help of inhuman weapons of destruction including other forms of chemical and bacteriological warfare and poison gas.

The AITUC is confident that nothing can prevent the final victory of the national liberation war of Vietnam and the crushing defeat of the US imperialists and their allies.

The AITUC is of opinion that India, which holds a special responsibility as Chairman of the International Control Commission has failed to discharge her duties and obligations in this matter. This is because the Government of India conditioned by its dependence on US aid, follows a policy which in effect assists the imperialists in their aggression and surrenders to their blackmail.

Even the mild disapproval of the American bombing of North Vietnam which was expressed by the late Prime Minister Shastri has been given up by the Government of India under the present Prime Minister, who has gone to the length of supporting the so-called US claim of "containing China" in Vietnam.

The AITUC protests vehemently against this servile stand of the Government of India and its refusal to demand withdrawal of

the US army from Vietnam as an essential condition for a peaceful settlement

This Congress of AITUC strongly protests against the supply of Telco trucks from Jamshedpur to South Vietnam, and demands that the Government of India take immediate steps to put a stop to this shameful deal.

The 27th Session of the AITUC calls upon the trade unions and workers to declare that they will determinedly oppose the Government of India's weak and vacillating policy on the Vietnam question and will never permit conditions of American aid and American wheat supplies to prevent fulfilment of India's obligations to the cause of anti-colonialism and Asian solidarity.

The trade unions therefore, should intensify their campaign of solidarity with the Vietnamese people's struggle, must mobilise the broadest masses on this issue and force the government of India to give up its present disastrous policy and to lend unconditional support to the demands of the Vietnamese people.

This Session resolves that in pursuance of the above mentioned aims, the trade unions should observe a "week of solidarity with the Vietnam Independence struggle" from 4th to 11th July by holding mass rallies and demonstrations all over the country.

These demonstrations should be held in particular, before all US enterprises, institutions and consular offices as a mark of popular protest against the imperialist aggression in Vietnam and to demand that the government of India come out firmly for the unconditional withdrawal of US troops from Vietnam.

This Congress further decides that during the above mentioned week of solidarity, all trade unions should make mass collections of funds from the workers and people for sending a token assistance from India to their heroic brothers and sisters of Vietnam.

ON EMERGENCY AND DIR

Three and a half years have passed by since the proclamation of national emergency and the enactment of the Defence of India Act and Rules. The situation has now vastly changed and today, especially after Tashkent, it has been realised by almost all sections of public opinion that there is no longer any warrant for the continuation of the state of emergency.

Experience has shown to the people that the extraordinary powers under the emergency and the DIR were being and are being taken advantage of by the ruling party and the Government to suppress the rising movement of the democratic masses. Hundreds of leaders and workers of the TU and democratic movements were arrested and detained without trial and thousands of workers who challenged the Government policies on food, prices, etc, were arrested and prosecuted under these rules. Strikes of workers and movements of the peasants and of other sections of the people were suppressed, using the powers under the DIR indiscriminately. And when a movement for the defence of civil liberties developed and was participated in by a large number of intellectuals, many of them were clapped into jails under the DIR. In this connection, it is necessary to note that the DIR did not act as a deterrent on the real anti-social elements—the monopolists, profiteers and hoarders, who were utilising the opportunity to raise prices and loot the people.

The 27th Session of the AITUC hails the people of the different parts of the country, particularly in West Bengal and Kerala, in building a powerful movement against the Emergency and DIR and in defence of the democratic rights of the people. The AITUC congratulates the people for having heroically faced all sorts of brutalities including firings by the police and the military and in building such a peaceful movement.

All political parties excepting the Congress Party, many jurists, educationists and public men in all walks of life have demanded the lifting of the emergency. This powerful demand found echo even inside the ruling Congress Party. In the face of this powerful movement and universal demand, the Government has been forced to stage a retreat by releasing most of the political prisoners. The Government also came forward with a promise to restrict the use of the DIR in the sense that except in some border States, DIR cannot be used by State Governments, except with the consent of the Government of India. But the Government refuses to lift the emergency, revoke the DIR and restore to the citizens of India their fundamental rights. The unabashed use of this curtailment is seen in bringing under DIR by notification the electrical establishments as in Maharashtra and other States. The DIR has also been used to victimise workers since after release from the arbitrary detention, they are not restored to their jobs. The Government seeks to keep this Democles' Sword indefinitely over the heads of the democratic masses. Pernicious efforts are reported to be under consideration at governmental

level to put some of the vicious provisions of the DIR permanently on the statute book.

The reasons given by the Government for its refusal to revoke the emergency have not convinced anyone and have been rejected by public opinion. People have reasons to believe that the Government wants to continue the emergency to be able to use it to suppress the people and their struggles, whenever it wants to. This is shown clearly by the new and recent detentions under the Defence of India Rules of many leaders of workers as in Madhya Pradesh and even of leaders of government employees as in Punjab.

The 27th Session of the AITUC demands of the Government to immediately withdraw the emergency, revoke the DIR, release the rest of the prisoners and withdraw all cases launched under the DIR and thus restore the rule of law in the country. This Session appeals to the working class and all sections of the democratic masses to intensify and broaden their movements so as to force the government to withdraw the emergency and revoke the DIR.

ON TRADE UNION RIGHTS

The 27th Session of the AITUC expresses its grave concern over the mounting attacks on trade union rights throughout the country. Victimization of TU leaders and activists for legitimate TU activities, meting out punishments to workers who join trade unions, implicating TU leaders in false criminal cases with the active connivance of the police, to curb trade union activities, inordinate delay and harassment even in registering trade unions, refusal of the Governments in referring disputes to adjudication when demanded but imposing them compulsorily with mutilated references, restrictions on the right to strike, etc., have become widespread throughout the country. In many places, such as project areas and so-called "protected areas" under the Governments and private employers, even trade union meetings are disallowed and entry of TU leaders prohibited. Section 144 has been imposed in some industrial centres like Jamshedpur for years together and there is now a blanket ban on processions throughout Bihar.

In the matter of violation of TU rights, the bureaucrats in the public sector vie with the employers in the private sector. The worst of it is reflected by the arbitrary notification under DIR of electrical undertakings in some States like Maharashtra,

where the TU rights of employees in these undertakings have been snatched away. Even in public sector undertakings where right of negotiation is conceded, the inordinate delay in conducting these negotiations, even for replies to letters, etc., make it a farce and thus nullifies its usefulness. In the name of the so-called "emergency" arbitrariness in denying the right to majority unions to nominate representatives on statutory bodies is being perpetuated.

Employees of universities and other educational institutions are denied ordinary TU rights and serious attempts are being made to exempt hospitals from the purview of the Industrial Disputes Act.

In certain industries owned or managed by Government, police verification is resorted to with a view to terrorise workers and victimise those who are active TU militants and who do not subscribe to the policies of the Congress Party. DIR is freely used to suppress strikes.

Workers' rights are also being attacked by denying workers organised in small industries the rights granted under the various labour laws, on the plea that the units employ only a small number of workers.

In many places, Territorial Army, Home Guards, National Volunteer Corps and the like are being used to break strikes and for blacklegging activities. The personnel for these organisations are being deliberately recruited by managements with a view to disrupt TU activities.

The tripartite agreement on Code of Discipline is systematically being used by the employers to deprive the workers of their hard-won TU rights. The employers show scant regard for the provisions of the Code which they agreed to implement, but insist that unions should observe it unilaterally. The official machinery both at central and state levels to supervise the implementation of the Code favours the employers and binds the workers arbitrarily.

The public sector undertakings are the worst criminals in deliberately violating even elementary TU rights.

The right to organise and bargain collectively is a fundamental right of the working class, won through years of heroic struggles. However, the right of the union democratically chosen by the workers as their representative to act as the bargaining agent has yet to be won by the trade union movement in our

country. Acts such as the Bombay Industrial Relations Act, and similar Acts in M.P., Gujarat, etc., which appoint a representative union through a so-called verification of membership by government officials, are only designed to favour the Congress Party's INTUC, thus discriminating against other TU organisations which command the support of the majority of the workers. Experience has shown that politics has become the main element in the matter of recognition of trade unions, rather than the support which a union enjoys on the basis of its membership and influence and, for the purpose of the so-called verification of membership, employers help favourite unions to boost up membership figures in a variety of ways. In the public sector, especially, recognition of unions has become a major point of contention and heroic struggles have been fought by workers to resist foisting of puppet unions as representative of workers. Some employing ministries such as Defence and Railways refuse to accept the Code and many employers in the private sector and associations of employers also refuse to ratify it. On the contrary, recognised unions are de-recognised on flimsy grounds and fanciful pretexts.

It is clear that the Code has been applied in a way which is detrimental to the interests of the working class and the right to recognition which has to be granted under it has remained a dead letter or has been utilised to foist favourite unions to the exclusion of unions really representative of workers.

The employers have been pressing for total denial of trade union rights to unrecognised unions, including the right to take up cases and complaints pertaining to their own members. The Government, in complete violation of tripartite decisions, are succumbing to the pressure of employers in this connection. If these efforts are allowed to succeed, it will mean that those unions which are not recognised by the employers or not verified to be the majority unions by the official machinery would, in effect, lose all rights of a trade union.

The AITUC has always been demanding that recognition of unions should be based on the democratic verdict,—through a secret ballot among workers where more than one union exists. Now, other national centres like the HMS and UTUC have endorsed this demand and at a recent meeting of the Study Group on Industrial Relations of the Labour Panel of the Government, ballot was favoured to determine representative status of unions.

The 27th Session of the AITUC demands that as per the tripartite agreement in the Study Group on Industrial Relations,

legislation should be introduced to provide for ballot to determine the representative character of unions contending for recognition. Ballot among workers alone can be the guarantee to ensure democracy in trade unions and this process also can help in unifying the various TU centres ultimately into one. It should therefore be provided by statute that a union which gets majority of votes of all workers should be compulsorily recognised by the managements in the private and public sectors alike, for a period of two years. After this period, ballot should take place again. Unrecognised unions should continue to have the right to represent grievances of their members.

The 27th Session of the AITUC considers that the battle for full and unfettered trade union rights should now be taken forward in a sustained and resolute manner and calls upon the workers and trade unions to win these rights on the basis of united action.

ON INDIA-CHINA AND INDIA-PAKISTAN RELATIONS

The 27th Session of the AITUC is gravely concerned at the fact that the relations between India and her neighbours, Pakistan and China, continue to be marked by hostility and tension. As a result, the Anglo-US imperialists whose policy has always been one of making Asians fight Asians, get an opportunity to interfere in our affairs and to pressurise India in various ways in the name of "aid" and "defence".

Similarly, the reactionary forces in India are enabled to intensify their exploitation of the common people, while the Government utilises this situation to attack democratic rights and liberties and to impose crushing burdens of taxation on the shoulders of the masses. Further, the cause of Asian solidarity and friendship is being seriously undermined by the continuation of the India-Pakistan and India-China disputes and conflicts.

For all these reasons, the working people are vitally interested in a peaceful settlement of India's disputes with her neighbours and the restoration of normal and friendly relations between them.

The AITUC had wholeheartedly welcomed the Tashkent agreement between India and Pakistan which called for renunciation of use of force in solving disputes, strict observance of the ceasefire line, and non-interference in each other's internal affairs.

This agreement, made possible by the good offices of the Soviet Union, is today facing the danger of sabotage at the hands of reactionary forces in both Pakistan and India. Fresh attempts

are being made to poison the atmosphere and to whip up a new war psychosis between the two countries.

These attempts can only be countered and defeated by the democratic-minded and healthy forces on both sides of the borders.

The AITUC, therefore, appeals to the workers to throw the weight of their organised strength on the side of the peaceful perspectives opened up by the Tashkent Declaration and to strive, at the same time, for a peaceful and lasting settlement of all differences between the two countries.

At the same time, the AITUC considers it to be of the highest importance that initiative should be taken to explore all possible avenues for settlement of the India-China dispute.

The AITUC sincerely hopes that despite all difficulties, both the Governments of India and the People's Republic of China will take speedy steps, including mediation by friendly countries, for amicable settlement of the India-China border dispute, in their common interests and in the interests of Asian solidarity and world peace.

This Congress calls upon the trade unions and workers, in co-operation with all democratic forces, to assert themselves vigorously and to actively campaign in favour of an India-China settlement.

ON SOLIDARITY WITH CENTRAL AND STATE GOVERNMENT EMPLOYEES' STRUGGLES

The 27th Session of the All India Trade Union Congress greets the employees of the State Governments and the Central Government employees who at the moment are in the midst of bitter and determined struggles in defence of their real wage in the face of erosion due to rising prices; against retrenchment and for security of service and for conditions of service guaranteeing trade union and democratic rights.

It congratulates the State Governments employees in U.P., Kerala, Andhra, Punjab, Bihar, Assam and other States for their glorious and effective actions including preparations for general strike.

They demand parity in D.A. and salary with the Central Government employees. They are not only denied need-based wages but the level of their salary is lower than that won by the

organised section of the working class and the D.A. is not linked with the cost of living index.

The inadequate and nominal relief granted to the State Government employees from time to time as doles of Rs. 5|- increments in D.A. are also given to them at their own cost through a process of retrenchment to make necessary savings.

There is anarchy in relation to the service conditions of the State Government employees. A large section is "temporary" though working in permanent departments for a long period and the axe of the termination of services with a month's notice hangs over their heads.

Along with the temporary employees are the categories of the Muster Roll and work-charged staff who are recruited at market rates from month to month and year to year for decades and more and yet they are denied all benefits — leave, medical aid etc.

In the case of Government-owned industrial and commercial establishments, provisions of labour laws are shamelessly violated, and bonus denied. The State Government employees are denied the right to organise themselves in trade unions and also the democratic rights.

The directive clause of the Constitution of India provides for conditions of service of Government employees determined by Acts of Parliament and the State Legislatures but even 15 years after the adoption of the Constitution, Government employees are governed by the conditions of service inherited from the foreign rulers.

Faced with the rising tempo of the State Government employees' movement, the State Chief Ministers and the employers' organisations in the private sector rallied to bring pressure on the Central Government to freeze the D.A. of the Central Government employees. They have at least partially succeeded and the Union Finance Minister denied full neutralisation while announcing increment in D.A. from December 1965 and has now come forward with the proposal to freeze D.A. of the Central Government employees at the existing level under the cover of 'fair price shops' for the employees.

While the employees of the State Governments demand parity in D.A. with the Central Government employees, the Central Government employees who have been denied neutralisation of the rise in cost of living even in terms of the recommendations of

Dass Commission are justifiably demanding cent per cent neutralisation.

The conditions created by the rising spiral of prices and the consequent erosion in real earnings, retrenchment and denial of trade union and democratic rights have become so unbearable that the Government employees have been forced to defy restrictions under section 144, resort to mass casual leave and even organise strikes.

The 27th Session of the All India Trade Union Congress supports unequivocally the immediate and urgent demands of the employees raised in different States and the demands submitted by All-India State Government Employees' Federation and the Confederation of Central Government Employees and demands that the Central and the State Governments concede the demand without further delay.

The AITUC warns the Central and the State Governments against resort to victimisation of the leaders and the functionaries of the Government organisations and to end the repressive measures which will only aggravate the situation and the responsibility for the same will rest on the shoulders of the Governments.

The AITUC extends fraternal solidarity to the Government employees and their organisations and calls upon the affiliated unions of the AITUC to observe, June 8, 1966 as a day of solidarity with the State and Central Government employees in cooperation with other trade unions and to extend all possible help to the State and Central Government employees and their organisations for the realisation of their just and moderate demands.

MESSAGE OF GREETING TO PRESIDENT HO CHI MINH ON HIS BIRTHDAY ON MAY 18 :

"On occasion of your birthday, delegates assembled at 27th Session of the All-India Trade Union Congress, send affectionate greetings wishing you many more years of selfless service as inspiring leader of Vietnamese people's struggle for independence, unification and victory of socialism.

"The A.I.T.U.C. salutes heroic liberation war of which you are symbol, pledges A.I.T.U.C. will mobilise entire Indian people in solidarity with you for final defeat of American aggressors".

APPENDICES

APPENDIX 1.

11-point national charter of demands adopted at the All-India Convention of Trade Unions held in Bombay in December 1963.

1. A 25 per cent general reduction in prices, especially of foodgrains and all essential commodities of life; reduction in those taxes which mainly fall on common people;

2. An all-round 25 per cent increase in the wages paid at present to all workers and employees of both the private and public sectors;

3. Immediate linking of all dearness allowance with the consumer price indices on a sliding scale; where no separate D.A. is paid, the consolidated wage to be linked up with the consumer price index;

4. Cent per cent neutralisation for every rise in the cost of living to be automatically ensured for workers of all wage categories through a sliding-scale D.A.;

5. Correction and revision of the existing fictitious and fraudulent or wrong official index figures and their calculation, through the agency of suitable tripartite machinery;

6. Immediate fixation, and wherever necessary, revision of minimum wages for industries and trades covered by the Minimum Wages Act, and immediate implementation of wages already fixed thereunder; adequate minimum wages for agricultural labour;

7. Submission of the Bonus Commission's report by the end of 1963, and announcement of government's decision thereon within a month thereafter;

8. Acceptance and implementation of the basic principle of a minimum guaranteed bonus, irrespective of profit or loss, to all workers and employees in all industries and trades including private and public sectors;

9. Introduction of state trading in wholesale business of foodgrains.

10. Fixation and enforcement by law of fair, minimum prices to the peasant for his agricultural produce; and guaranteed supply to him at reasonable prices of essential articles for his everyday use;

11. (a) Nationalisation of banks, export-import trade, and the oil and sugar industries as a first step towards furthering state acquisition and control over decisive sectors of the national economy.

(b) Take-over by Government of all plants and mines which have been closed down by employers despite their being productive units.

(c) Public sector workers to have the same democratic and trade union rights as in the private sector.

APPENDIX II.

*6-point Charter of Demands of the Rashtriya Sangram Samiti
adopted in October 1964.*

1. Introduce state trading in foodgrains.
2. Fix the fair price of foodgrains for the producers and for the consumers, and also fix the prices of all essential consumer goods.
3. Nationalise all Banks;
4. Introduce D.A. where it does not exist; and in all cases link it, providing 100% neutralisation, with the cost of living indices on a correct basis.
5. Revise the Bonus formula on a rational basis, providing bonus to all workers in private, state or public sector without any discrimination; and
6. Withdraw the Defence of India Rules and release all political and trade union detenus.

APPENDIX III.

*Demands of the
Great Petition to Parliament
(Sept. 1963)*

1. A substantial reduction in prices, especially of the daily necessities of life;
2. A reduction in the direct and indirect taxes, levies and surcharges that fall upon the common man;

3. Cancellation of the schemes of Compulsory Deposit, which all toiling people feel to be nothing but a forcible exaction from their meagre incomes;

4. Nationalisation of the vital and strategic lines of our economy viz. the banks, oil and foreign trade, to begin with, so that the resources essential for national development and defence can be augmented and planfully directed while at the same time giving relief to the people from the burdens of heavy taxations and preventing unwarranted and unjust concentration of the national wealth in the hands of a few monopolists and landlords;

5. Adequate and effective measures to combat graft and corruption from all walks of life and establishment of democratic control to check bureaucratic oppression and end of Emergency powers.



All-India Trade Union Congress

**27th SESSION
Bombay**

INDUSTRY REPORTS—PART I

On Coal Industry

By **KALYAN ROY**

Gen. Sec., IMWF

On Metalliferous Mines

By **PRAKASH ROY**

Sec., IMWF

SIXTEENTH—TWENTYSECOND MAY, 1966

Coal Industry & Trade Union Movement—Problems & Possibilities (1961—1966)

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1. A close look at the Coal Industry and a deep probe into all its aspects have become absolutely essential. The changes which have taken place since the 26th Session of the AITUC in 1961 are of great significance and are having a great impact on the workers' conditions and on the Trade Union movement.

Crisis of Over-production

2. What are the changes since the Coimbatore Session? At that time, we were facing a crisis — a crisis of shortage of coal. All over the country, there was a scramble for coal. But now for sometime past, since middle of 1963, we are facing another type of "Crisis": a crisis of over-production, accumulation at the pit heads, lack of demand, closure of coal mines — and the entire burden has been shifted to the working class in the shape of increase in workload, mass retrenchment, lay-off, victimisation.

3. The President of the Indian Colliery Owners' Association, an association of big Indian-owned mines, at the Thirty-Third General Meeting of the Association, (29-3-1966) described the situation in one word: SLUMP. He said: "The net effect of slump in demand has been scaling down of targets, under-utilisation of capacity and depressed sales affecting prices of coal, especially of low grades". He blamed the Government for switching to oil and not giving adequate increase in coal price. There he stopped.

4. The industry is drifting. There is uncertainty and hesitancy. And this stagnation is causing serious damage to the country as a whole and to workers particularly.

5. According to the Chairman of the ICOA: "The shortage between the aggregate of targets and the actual production would be about 50 million tonnes of coal in five years of the Third Plan". The rates of expansion and production have been frozen and in many cases, actually going down. The whole picture is indeed amusing and tragic and points out to the bankruptcy of the ruling class.

6. The original target of raising 105 million tonnes (97 million tonnes fixed in the Third Plan plus 8 million tonnes shortfall in the Second Plan) by the end of the Third Plan was first reduced to 97, then 90 and then again hurriedly slashed down to 76 million tonnes. While in 1963-64, we produced 66.33 million tonnes the production actually went down in 1964-65 to 62.8 million tonnes. It has again gone up to 66.5 million tonnes (Lok Sabha reply, dated 1-4-66). Even this we find difficult to consume. Scaring headlines are appearing in the Press and it is extremely doubtful whether the production would reach 76 million tonnes by the end of 1966.

7. This cut in production targets is seen in both Private and State Sectors. The 1963-64 Annual Report of the National Coal Development Corporation stated that the NCDC Third Plan target has been slashed down from 30.50 million tonnes annually to 14.32 million tonnes annually — a drastic cut indeed. Even then the NCDC complains of the problem of how to dispose of its stock.

Effects of the Crisis

8. Two of the five mines in the NCDC have been closed down. The entire vast area of *Giridih* mining belt has been virtually given up. Machinery imported from abroad is rotting. Vast areas earmarked for Development have been abandoned.

9. The number of workers engaged in the industry is also going down. The *New Sketch*, in its January 1965 issue stated:—

"The number of working mines in July 1964, was 818 as against 821 in June 1964. The total average daily number of persons employed in July last year stood at 3,93,930 as against 4,05,546 in June 1964. It was in July 1964 for the first time during the last twelve months that the average employment figures dropped down from 4 lacs mark to 3 lacs mark. Evidently some 11,634 working persons were retrenched from colliery employment in July 1964."

In the Asansol coal belt alone, 4,196 workers were retrenched during 1963-64 (Lok Sabha question, dated 30-11-64). The

position has further deteriorated and the number of retrenched persons has gone up further in the last year.

10. Thus, on the eve of the Fourth Plan, we find confusion and despondency all around — mounting offensives on workers' rights. The Fourth Plan target is an enigma shrouded in mystery. The original target to raise 180 million tonnes by 1970-71 has been reduced to 136 and now to 120 million tonnes. But even this is not certain. The Private Sector which controls over two-thirds of the production has characterised this low target as "unrealistic" and "over optimistic" and has urged on the Government to revise the target further downwards in a memorandum (*Statesman*, 29-6-65). It has requested the Government to fix the target around 105 million tonnes. This figure was worked out by the WORLD BANK TEAM on Coal Industry which pointed out that the demand for coal by 1970-71 was unlikely to exceed 105 million tonnes.

11. The question naturally arises — does this slump affect all section of coal owners? Or a part? A section? The problem of over-production and lack of demand affects non-coking and non-metallurgical coal. Those who produce coking and metallurgical coal are free from it. And who produces this coking coal? The big mining companies in the Private Sector. The output of coking coal is about 18 million tonnes per year; and only 3.5 million tonnes come from the State Sector. The rest comes from the Private Sector.

12. With the setting up of the Bokaro Steel Plant, expansion of the existing Steel Plants and a large demand from Foundries, Fertiliser Plants etc., it would not be unreasonable to assume that the requirements of coking and metallurgical coal by 1970-71 would be about 40 million tonnes; an increase of nearly 100%. And naturally the bulk would have to come from the Private Sector.

13. It is the non-coking, lower grade coal which we produce approximately 45 million tonnes annually, that *poses a problem*. Railways, Thermal Power Stations, Cement and a few other industries constitute its major consumers. In the background of general stagnation of our economy, and falling demand from the Railways which are switching over to diesel and electricity, its market is not expanding.

Government Surrender to Mine Owners' Pressure

14. Who is responsible for the debacle? The employers point out to "the magnitude of the over-estimate in the original

Third Plan coal targets" (IMA) as primarily responsible for this imbalance. But this alone would be utter distortion of fact. The responsibility of this crisis falls on the Government and the capitalists and the monopolists. The monopolists squeezed concession after concession from the Government which was too willing to oblige them which resulted in decline in economic growth and stagnation. The anticipated demands from various industries did not materialise. The Government succumbed to the pressure of mine barons who compelled them to increase the coal price, enhance the Development Rebate Tax and ultimately to modify the Coal Bearing Act. The Industrial Policy Resolution was cold storaged and private mine owners were allowed to set up mines in virgin areas.

15. Who can forget the veiled threats of the Indian Mining Association in 1961-62 that the coal industry would not be able to "perform the task allotted to it" unless a REALISTIC policy was adopted by the Government? The Government all along was only too ready to show "realism" to please the mine barons.

16. The coal industry particularly those who produce high grade coal are receiving all kinds of financial and other assistance from the Government. Besides increasing the coal price as per the dictates of the industry, the Government has been giving financial assistance in two ways — one is for stowing and the other for difficulties caused by adverse factors, such as gassiness, depth of shaft, inclination of seams, thinness of seams, flooding of the mine, high transport cost to haul the coal from the mine to a rail-head etc. The assistance for adverse factors is mainly pocketed by big mine owners, producing better grade of coal. The Coal Board's recently commissioned ropeway in Jharia is expected to provide sand free of cost to the collieries served by it. The World Bank came with a loan of Rs. 17 crores for the Private Sector; yet the industry shouts for more and more concession and demands more and more subsidy.

17. This crisis of over-production is not confined to India. It is an international phenomenon in all capitalist countries. This was also noted in the 4th Conference of the Mine Workers in Moscow in 1964. In the United States, United Kingdom, France, Belgium, Japan, Canada and West Germany — we find an universal picture of closing down of pits, reducing output and great hardships on mine workers.

18. On the other hand a survey conducted by the US Bureau of Mines recently pointed out that the Communist countries of the world produced 53.1% of the total world output of coal in 1964

as compared with their contribution of 52.6% in 1963. The USSR is expected to produce 700 million tonnes in 1970. What better proof can be given of the superiority of the Socialist system ?

19. But it will be utterly wrong to think that the coal industry in our country has a bleak future. There is no doubt that coal has a fundamental role in the country's long term development. With the setting up of new Steel Plants and a correct fuel policy based on coal and more consumption of soft-coke, the country would need more and more coal and actually we may be again faced with the problem of shortage. Nearly 90% of the energy consumed in the domestic sector comes from the traditional sources of energy --- cow-dung, fire-wood and vegetable waste. Nearly 100 million tonnes of fire-wood are consumed in a year. Analysing all these, the Central Fuel Research Institute has observed that soft coke is the cheapest source of domestic fuel in India. But neither the coal producers nor the Government have any plan to tap this vast market in an organised planned manner. All these steps will have to be taken and all attempts to lower the target of the Fourth Plan and restrict production must be RESISTED.

Domination of the Private Sector

20. Here in India, the persistent sickness of the coal industry can be traced to the domination of the Private Sector. Although it is true that the production and size of the Public Sector have steadily grown and it is given larger and larger allocation in the Plan, the GRIP of the Private Sector has not been shaken. The State Sector, after all these years, is producing about 12% of the total coal output.

21. The Private Sector is ruled by a junta called the Joint Working Committee consisting of companies affiliated to five Associations viz.: Indian Mining Association, Indian Colliery Owners' Association, Indian Mining Federation and the Madhya Pradesh and Vidarbha Mining Association. The coal mines under the JWC produce nearly 80% of the country's total coal output and employ over 82% of the total number of workers.

21(a). Among the five, the IMA is the most powerful and the big mining concerns dominated by foreign and Indian capital — Andrew Yule, Bird, MacNeill Barry, Turner Morrison, Shaw Wallace, Jardine Handerson, ART & CO., etc. producing coking and metallurgical coal are its members. The rising Indian concerns like Worahs, Chanchanis, Birlas, Goenkas, Jalans, Agarwallas, Sethias etc. work through both IMA and ICOA. In the

Private Sector, the IMA controls over 70% of the production and labour.

22. The significant feature of the last decade is the steady concentration of ownership in the hands of a few big companies, the growth of monopolistic tendency and the clear domination of a few giants. Take for example, the growth of Worah and Chanchani group. It has bought up a large number of small and medium collieries in the course of the last five years and produces nearly 4 million tonnes a year. The IMA which is the mouth-piece of the big concerns openly welcomes the trend. A few years back Shri Pran Prasad, ex-Chairman of the IMA and present Managing Director of Bird & Co. said :

“The production of fuels at the lowest possible cost can in modern conditions be achieved only by units capable of ultimately producing upwards of half a million tonnes of coal per annum.”

23. The small collieries are slowly being eaten up. The number — 700 or 800 — is deceptive; over 2/3rds of production and employment, as I stated before, are in the hands of 20 to 30 companies and Managing Agents. They wield tremendous influence in the mining belts and over the Government and with their resources pose serious difficulties and obstacles to Trade Unions which in comparison are weak, divided and lack resources.

Private Sector against State Sector

24. The Private Sector is waging a bitter and vicious campaign against the NCDC, desperately trying to halt its expansion, modernisation and growth and carrying on a campaign of slander against it assisted by reactionary elements of the country and Western Monopolists. While the Private Sector presents a solid front against the NCDC, it is a divided house and inside this Sector, there is a sharp clash of interests between the big powerful mining companies producing high grade of coal with a firm grip over finance and market; and middle and small concerns producing low grade, confronted with problems of finance, marketing and transport.

25. But this does not at all mean that medium and small collieries do not make good profit. The Plan of voluntary Amalgamation of small collieries hardly made any head-way because neither medium nor small owners showed any enthusiasm to amalgamate. Rather they firmly opposed it. Whenever proposals of amalgamation were put they were sabotaged and cold stored.

Shri S. K. Dey, Union Minister of Mines and Metals, said in the Parliament :—

“Amalgamation is taking place at a very slow pace. I would say there is a considerable amount of resistance on the part of small mine owners to get themselves merged with each other. That is standing in the way of modernisation and mechanisation.”

—(*Lok Sabha question, dt. 15-4-'66*)

26. However, Amalgamation, even if brought about by compulsion is hardly a solution to problems faced by the coal industry. The solution lies in immediate nationalisation.

27. The inherent contradictions between the big and the small, between high grade and low grade coal producers, which were suppressed during the boom period came in the open in 1964-65. The differences were expressed mainly on two items — (1) Mechanisation and (2) Attitude to the mining of selected grade of coal. There was difference regarding the price policy also. While the IMA was for rapid mechanisation and described the policy to restrict the production of high grade coal as “short sighted and perverse”; the other two Associations, ICOA and IMF, strongly opposed “ill-conceived and rash mechanisation”, “as has been strongly advocated from a forum of the industry” meaning IMA. They also stressed the need for conservation of selected grade of coal. Against the stand of the IMA, the Chairman of the ICOA stated in 1964 :

“The Selected Grades of coal which form an insignificant proportion of only 2 per cent of our reserves in the major coalfields of Jharia, Raniganj and East Bokaro were made to yield nearly 26 per cent of our production in 1963. The rate of exhaustion is about thirteen times the ratio of availability. . . . We have reached a stage when we have to decide the pattern of production and consumption of coal in relation to the qualities available in the country.”

28. But then, in order to secure a greater share in the Fourth Plan allocation and the need for more organised and strong pressure on the Government to secure further rise in coal price and faced with Bonus movement among workers and uncertainty of the Wage Board Decision, the differences were not further pursued and seemed to have been patched up on the surface — a return to the “bhai bhai” attitude. Mr. Turner, Chairman of the IMA, said in the last meeting on 19th March, 1966:—

“The combination of the major associations of producers within the Joint Working Committee is of great importance and any measure of success achieved in the year under review is to a large extent due to the close co-operation that exists between us.”

Foreign Aid to Private Sector

29. During the Third Plan period, the Private Sector, particularly the big enterprises, got massive aid from the World Bank and other U.S. Agencies and also assistance from British Capital. The World Bank was preceded by the AMERICAN EXPERTS COMMITTEE which visited the Indian coal fields and recommended various kinds of subsidies for the Private Sector, increase in the coal price, liberalisation of import licenses for mining machinery etc., etc. so that the firm grip of Western monopolies remains intact.

30. The World Bank loan of 35 million Dollars (nearly Rs. 17 crores) to the Private Sector was widely publicized. The Chairman of the IMA said three years back :—

“I should also like to pay a tribute here to the Bank for its understanding of, and sympathy with the problems of the Private Sector of the Coal Industry.”

31. However, there is a great deal of confusion about the extent of utilisation of this loan and completely contradictory statements have been made. While the Union Minister for Mines and Metals stated: “Rs. 16 crores were offered by the World Bank and about Rs. 13 crores have been utilised by the collieries” (*Lok Sabha*, 15-4-'66), the ICOA Chairman said on March 29, 1966: “On a rough estimate, the industry invested about 35 crores of rupees in utilising the World Bank loan alone.” On the other hand, Shri D. C. Driver at the 20th Annual General Meeting of Coal Consumers' Association on 22nd September, 1965, stated: “The World Bank loan of Rs. 16.67 crores to the private sector collieries for starting new mines, expanding existing mines and modernising out-moded machinery could be utilised only to the extent of Rs. 8.57 crores”, because of various difficulties. According to Press reports, machinery worth Rs. 1.73 crores actually arrived till the end of 1963 and many license-holders who held licenses to import machinery actually surrendered their licenses. So it is extremely difficult to say what actually happened. But it is clear that only a part of the loan was utilised and that too by the big companies like Bengal Coal, Bird & Co., etc.

Profit in the Private Sector

32. While the industry is shouting about crisis, over-production, uneconomic coal price and through monopolist press lamenting about poor return on investment and pressurising the Government to increase coal price etc., the mine owners are reaping very high profits. The selling price of coal leaves an adequate margin of profit. The owners make further tremendous illegal profit by flagrantly violating the Safety Laws, failing to implement the Awards, manipulating records, cheating the consumers and by resorting to various other malpractices.

33. I would like here to place certain facts which were presented before the Wage Board by the Trade Unions indicating the extent of profit in the Private Sector :—

(a) The *Economic Times* made two studies, one dated 10-12-1962 on what the *Economic Times* prefers to call 51 Industrial Giants and the other dated 24-12-1962 on 34 Coal Companies which in terms of capital account for nearly 60 per cent of the public limited coal companies in the private sector. The comparative figures (of return on capital employed) for the average of the 51 Industrial Giants and the average of 34 coal companies are illuminating. They are as under :

	<i>Gross Profit as percentage of total capital employed</i>	
	<i>1960-61</i>	<i>1961-62</i>
Average of 51 Industrial Giants	9.8	9.8
Average of 34 Coal Companies	10.1	9.1

It is obvious that the performance of the coal industry is almost on a par with that of the industrial giants, although it is known that even the topmost giant in the coal industry is a mere pigmy in comparisons with the industrial giants. For comparison the relevant figures for the three topmost industrial giants vis-a-vis the three representative coal companies are given below :

	<i>Gross profit as percentage of total capital employed</i>	
	<i>1960-61</i>	<i>1961-62</i>
Tata Iron & Steel Co. Ltd.	.. 4.3	4.0
Indian Iron & Steel Co. Ltd.	.. 10.3	10.6
Associated Cement Co.	.. 8.9	7.4
Bengal Coal Co. Ltd.	.. 14.6	8.4
Burrakar Coal Co. Ltd.	.. 9.7	10.6
Equitable Coal Co. Ltd.	.. 5.3	3.7

(b) An analysis of the combined cost structure of Bengal Coal, Burrakar and Equitable Coal Co., which are taken as more or less representing cross-sections of the coal industry, shows that while the Coal Price Revision Committee decided Rs. 1.75 as adequate margin of profit per ton (which the industry states it is not getting), the actual profit is even more. Average profit per tonne was as under :—

1958	1959	1960	1961	1962
Rs. 3.39	Rs. 3.31	Rs. 3.57	Rs. 2.56	Rs. 3.00

34. The profit which is shown is just a mere fraction of the concealed profit. Nowhere is the domination of BLACK MONEY so glaring, so rampant and so deadly as it is in the coal industry. And yet the Government inspite of unanimous opposition and protests of three central Trade Union Federations, IMWF, IMNWF and HMS, has increased the coal price by over 100 per cent in the last decade.

35. The Government has further agreed to increase the coal price and already a committee has been set up to decide about the rise. Additional financial assistance is also on its way. Only the other day, Shri Dey said in the Parliament: "The proposal for giving financial assistance to mine owners for developing coal mines is still under consideration." (*Lok Sabha question*, 15-1-1966). In the course of only three months, from December to February, the industry got two price rises; one on 24-12-1965 for paying bonus and the other on 3-2-1966 for the "revision of the royalty rate". And this bonus for which they got a price rise was paid by only a section of mine owners and that too only after a hunger strike and general strike notice in the end of March and April was served, and even then nobody paid more than 4 per cent. And still a large number of mine owners have yet to pay.

36. The other big source of profit for the private sector is export for which there is no price control. And the industry has persistently refused to disclose the selling price of coal to foreign consumers. The foreign market which was completely lost during the Second Plan and the First Half of the Third Plan has again been established. The Government has accepted the interim report submitted by Dr. Lokanathan's Study Group on Export of Coal. The Chairman of the IMA said : "India has re-established export of coal to some of her traditional markets" meaning Burma and Ceylon which means more profit for the private sector.

Low Productivity ?

37. The profit, which was partly shown, is derived by sheer exploitation of miners and as I have stated previously-by violating safety laws, denial of benefits under Labour Awards, etc., etc. At the same time, vicious propaganda has been let loose against the miners for alleged low productivity. Comparisons have been made between our miners and those of the advanced European countries, forgetting all other aspects.

38. But what are the facts ?

The productivity of miners has sharply risen. While output per man-shift in 1954 was 0.38 ton, it increased to 0.48 in 1961 and further rose to 0.51 in 1963-64. The percentage increase in employment is lower than the percentage increase in production. The primary reason for this difference is the spectacular rise in the productivity of miners. The Second Plan provided for an increase of 20% in the productivity of mine workers and had expected higher employment on the basis of the target production of 60 million tons. However, the target production was not reached but the productivity target was exceeded. Result was higher production with fewer workmen.

39. The rapid increase in productivity since 1961 has been admitted by all. Only recently, Shri G. S. Marwaha, Regional Inspector of Mines, in an article in the *Mines Safety News* (January 1966 issue) showed :—

(output in tonnes per man per year)

Year	Productivity of underground workers	
	Non-Gassy Mines	Gassy Mines
1955	184	156
1960	190	—
1961	195	197
1962	203	205
1963	201	211

40. The question naturally arises — how did the productivity rise ? Is it because of mechanisation, rearrangement in the lay out, greater modernisation of the under-ground machinery, viz.: coal cutters, mechanical loaders, power drills, mechanical conveyors etc., provision of better ventilation, improvement in surface lay out including loading arrangements, rearrangement of lay

out by the provision of better haulage system etc.? No ! NO-THING OF THE SORT !

41. The overwhelming number of coal mines in the private sector, from planning to raising, are in an extremely primitive stage. The Soviet experts who recently visited the coal mines have also pointed out this. And the special representative of the *Statesman* on April 24, had to say that what the Soviet experts stated "is not flattering either to the Government or to many of the managements."

42. The progress of mechanisation is extremely slow and haphazard. Out of 743 mines, 18 have been mechanised so far (*New Sketch*, 20-12-'65). And this mechanisation also is at a very low level. There are about 780 coal cutting machines (used by less than 200 coal mines); 20 to 23 mechanical loaders and 154 to 158 mechanical conveyors (*New Sketch*, 6-12-'65). There has hardly been an improvement since 1961. It is evident from the trend in the use of mechanical conveyors and loaders that about 72% of the total output comes from the use of the hand pick and the blasting of solid coal and that 90% of the output is hand-loaded (*New Sketch*, 13-9-'65).

43. The employers only talk of mechanisation and improvement of the working conditions without doing either and their entire aim is to upset the present categorisation and go back to pre-1956 days when workmen were made to do all sorts of jobs and remained at the mercy of mine owners. The increase in productivity, as I have stated before, is due to brutal exploitation, massive punishment, intimidation and gangster methods. Even G. S. Marwaha, quoted previously, admitted that the rise in productivity was apparently done by reducing employment and by concentration.

State Sector (NCDC)

44. The State Sector or the NCDC, built by the aid and assistance of the various Socialist countries, expanded rather rapidly in the Second Plan period and the First Half of the Third Plan period; but then it got a severe set back. The production was curtailed and expansion halted. The government yielded to the pressure of the private sector. Its own management is also very much responsible for this state of affairs. Corruption and wastage, theft and defective planning are rampant. The bureaucracy is plainly hostile to workers and shuns all cooperation. The Annual report of the NCDC for the year 1964-65 reveals a "dismal picture"; a loss of nearly Rs. 2 crores because of "bad debts",

“heavy travelling expenses”, “shortage of stocks and stores”, etc., etc. However, inspite of all these defects, the State Sector has become the single biggest coal producing concern in the country. Further, in relation to implementation of labour laws, awards, building of workers' quarters etc., its performance vis-a-vis the private sector is much better.

45. It would have been difficult if not impossible to build and expand the State Sector but for the aid of the various Socialist countries led by U.S.S.R. and Poland. With the massive assistance of the Polish Government nine deep mines costing 95 million dollars each are being opened up which would produce over two million tonnes each. Besides financing 30 per cent of costs, Poland is assisting India to produce by 1970 about 60,000 tons of mining machinery a year.

46. The Soviet Union is assisting in three major projects:—

- (i) The development of the largest and the most complicated Coal Washery in India at Kathara in the Bokaro coalfields with an annual capacity of 3 million tonnes of raw coal output.
- (ii) Development of two underground collieries at Banki and Surakachar which when completed in 1967 are expected to yield 1.7 million tonnes of Grade I coal annually.
- (iii) One open cast mine in the Korba coalfields which will produce one million tonnes of coal annually.
- (iv) Setting up of a large Electrical and Mechanical Workshop in Madhya Pradesh which will be one of the most modern workshops of its kind in India.

Assistance is also being received from Hungarian and Czechoslovakian Governments.

Manufacture of Mining Machinery

47. One of the most significant developments in the last five years is the building up of a big plant for producing mining machinery equipment in the State Sector. We are at present almost totally dependant on the Anglo-American Bloc for even the most simple types of mining equipment. And for these they charge fabulous prices and through them they also dominate the coal and mining industry. We very well know to what extent the foreign machinery affects the cost of production and helps middle men to reap huge profits and retard development.

48. The building of a mining machinery plant with the Soviet help was expected to gradually eliminate our dependence on Western Imperialist powers and I would like to quote what the Chief Inspector of Mines, Shri G. S. Jabbi wrote in the *Economic Times* in 1963 :—

“No scheme of general mechanisation of an industry can succeed if the requisite machinery (and the spares for the same) have to be imported. The difficulties faced by the mining industry in this connection are too well known. It would, therefore, be a big relief when the products of Coal Mining Machinery Plant at Durgapur . . . start coming into the market.”

49. The Production at Durgapur has already started but it is a matter of great shame and regret that the private sector firmly linked up with the Anglo-American bloc is extremely reluctant to use indigenous products or buy from Durgapur. The installed capacity of the Durgapur plant has remained unutilised.

49. (a) Reports make it quite clear that the IMA is busy in sabotaging the aim of reliance on indigenous mining machinery. Mr. Turner, chairman of the IMA, said very clearly that “it is not possible to manufacture complex components and spares” and “foreign exchange must be earmarked for essential components and spares”. In other words, the import of foreign machinery must continue and traditional market (India) of Anglo American monopoly concerns must not be allowed to disappear. But the most tragic part is that the Government yielded to the pressure of British dominated coal companies. The IMA chairman was happy to note that “import licence applications . . . will now receive consideration . . . under new arrangements set up by the Ministry of Mines and Metals.” Already in the last five years, the foreign exchange released for the import of mining by the private sector amounted to Rs. 13.78 crores.

Working Class Conditions

50. As a result of the publication of the Award of the LAT which conceded many of the basic demands of the miners at that stage, and of the decision of the Arbitrator which introduced time scale and gradation etc. in 1960 and some changes in the Mines Act and Regulations, the coal miners were able to improve their position during the Second Plan period. Not only the wages, holidays, leave, overtime, sick benefits etc. increased but the general employment level in the coal mines also went up. It was also a period

of bitter struggles and gains. It saw the birth of various Tri-Partite committees which became effective instruments for solving various issues, many to the advantage of workers. It was also a period of big disasters — Amlabad, Burradhemu, Central Bhowrah and Chinakuri which led to the calling of the first Safety Conference and review of the safety measures and setting up of the safety committees. The coal miners, after years of bitter struggles and terrible exploitation and neglect, were able to secure a position in the working class movement and wages compared favourably with those of the advanced industry of the country.

51. All this was pre-Coimbatore, pre-1961. Then came a halt. The progress was checked. Struggles in various mines and pits continued but there was no general gain; rather defensive struggles replaced offensive movements of the coal miners. The general wage level has remained where it was in 1956. The position has actually worsened since the end of 1962. The prices of essential commodities shot up and the food stuff of the mining belts was cornered by the hoarders and black-marketers. With the scaling down of targets and fall in demand and slowing down of expansion, as I have stated in paras 7, 8 and 9, the employment level went down. The coal barons ruthlessly resorted to lay off, retrenchment and closures and victimisation, throwing thousands of workers out.

52. The repression which was already there was intensified. The D.I.R. came and was most ruthlessly used against the coal unions affiliated to the AITUC and IMWF all over the country throughout the period 1962 to 1966. There were persistent attacks by employers on existing rights and facilities and gains achieved through Awards and Agreements. The Tri-partite committees gradually became ineffective and mere debating societies and the Government also stopped calling the Industrial Committees regularly after 1962. Some of the Tri-partite decisions — CRO labour etc. were not even implemented. The biggest mining disaster took place at Dhori in 1965.

Some Gains

53. Although perhaps it is rather early to make a full assessment of the period between 1961-1966, it would be equally wrong to say that this was a period of complete "darkness" and "utter despair"; that the miners got nothing but defeats and there was nothing but an unbroken record of retreats. It is true that there were great difficulties, moments of utter despair and agony; but if we analyse the entire period, we will find also significant gains, notable victories and also advances in certain respects.

Our unions, main targets of attacks and vilification, and victims of constant persecution, fought back resolutely. In many places attacks of the Government and employers were halted and some advance was made. Not only did the AITUC and IMWF organisations survive but in some areas, they were able to increase their strength and expand their influence.

54. The most significant gains of the period, 1961-1966 are:

- a) The setting up of the wage Board.
- b) Granting of two interim wage increases.
- c) The Tri-partite meeting on 5th August, 1962 took some far-reaching decisions. The gangster methods of employers in private sector were exposed and some drastic changes were brought about in relation to the policy of adjudication and functioning of the Industrial Relations Machinery.
- d) The BONUS movement, initiated by the AITUC and IMWF affiliated unions, collectively and organisedly, caught the Government and employers completely unawares. Thousands of miners led by the Red Flag got ready for strike actions and the whole position of the mining belts was dramatically changed. As a result the coal miners got bonus for the first time. But the struggle continues and the success has inspired the miners to shake off the apathy and feeling of isolation.
- e) A new urge for united *movement and action* has grown after years of bitter inter-union rivalry. The setting up of the Joint Trade Union Committee in the Jharia Belt in Bihar for Profit Bonus and joint preparation for an indefinite strike is one of the greatest achievements of the period. Although the formation of such committees has not been made possible in other belts, the possibility of such developments in other areas and also on an all India basis has considerably brightened.

55. Now let us describe the period, 1961-1966 in more details in the light of the analysis made above.

Employers in the Private Sector

56. By and large the coal mine owners, both in the private and State sector, have remained the same. They are allergic to progressive militant trade unions and collective bargaining. Cer-

tain coal mines in the private sector have been declared out of bounds to trade unions and nobody dares go there without risking his life. Against their will workers have been compelled to join unions set up by the managements. Unions are imposed from the top with the backing of the Government machinery and blatant goonda methods are resorted to in order to liquidate majority-backed unions.

57. The relations between labour and management and particularly between our unions and coal employers have remained extremely bitter. Even the Chairman of the IMA on 19th March, 1966 had to admit:—

“During my term of office I have been disappointed to find that in some circles labour-management relations in Coal Industry are regarded as far from satisfactory.”

57.(a) The colliery owners, strongly organised in four Associations, IMA, ICOA, IMF and MP and Vidarbha MA, have continuously attempted to turn the coalfields into concentration camps, maintained by a huge organisation of spies, armed hoodlums and puppet unions with the active connivance of the State apparatus and local Police departments.

58. Normal trade union functioning remained extremely difficult and attempts of the AITUC unions to organise the miners and improve their conditions, spread over a vast area, far from the urban centres were met with ruthless and violent opposition of mine bosses who used all means, legal and illegal, to crush the militant trade union organisations.

59. Thousands of mine workers have been victimised for trade union activities and forcibly evicted from their quarters. Hundreds of workers and their leaders including the top office bearers of various unions and IMWF have been implicated in numerous police cases which are still dragging on from one Court to another.

60. The struggles and disputes in all the mining belts centred on the following points:— Defence of trade union rights, organisation of the unorganised section, full and proper implementation of various Awards and Agreements, fixation of proper categories, protection against victimisation and against Contract system and CRO and introduction of better living conditions like building of more quarters, water supply and other fringe benefits, protection against lay-off and retrenchment and closures.

61. The results of recession and cut in production have already been described before. The NCDC miners were most

seriously affected. Three very big mines, producing high grade coal — West Jamuria and Akhalpur collieries (Surajmal Nagarmal) and Begunia colliery (Karamchand Thaper) in the Asansol belt were closed down during 1963-64. The mine owners created further complication by refusing to give more than three months wages and salary as retrenchment benefit. Three disputes were referred to Calcutta Tribunal and in one case the management lost; the other two are still pending. An appeal has been made by the employer of West Jamuria. Its outcome is going to seriously affect all miners and concerted move of all unions is necessary to foil the attempts of the mine owners.

62. Not only the workers but also the other sections of employees, including the top technicians were most adversely affected by the recession and halt in expansion. The entire mining Engineering students of the 9 Mining Institutes all over the country went on strike for two months in the first half of 1965 as a protest against unemployment. Out of 1,200 diploma holders, only 300 or about 28% found employment. The Government was forced to intervene as a result of this strike.

Attacks by Government and Employers

63. The Asansol-Raniganj coal belt throughout the period continued to be badly disturbed. The mines which were badly affected belonged to Bengal Coal, Bird, Jain, Bhattars, Chanchanis, Jaipurias and some other medium concerns. In this period, there have been numerous clashes between armed gangsters and the workers, between the police and the workers. Many strikes of short durations took place. Nearly 40,000 workers have been involved in these disputes.

64. The big and small mine owners ganged up to crush the Colliery Mazdur Sabha, affiliated to the AITUC. The situation was bad even before D.I. Rules. It became worse after it. In mine after mine, workers and leaders were put into jail under the D.I. Rules, some with definite charges made against them and some without any such charges. The top office-bearers including the General Secretary of the Red Flag union were arrested and kept in prison for two years. Those who were arrested with specific charges under D.I. Rules in the Asansol belt were, except in one place, fully acquitted by Courts and charges of anti-national activities were rejected.

65. Till the month of February, 1966, the Government at the instigation of the mine owners have applied D.I. Rules repeated-

ly against the leaders of the CMS. Over 150 Police cases are pending against about 300 workers and leaders at present. Leaders have been externed from the mining areas again and again throughout 1964-1965.

66. The extent to which the management went to crush the Red Flag union can be seen by just one instance. In October, 1964, the manager of the Bankola colliery, one of the biggest mines in the country, was arrested and externed from the Burdwan district on a charge of leading a mob and burning the huts of miners. But all these gangster methods, mass victimisation and Police terror miserably failed to suppress the movement of miners led by the CMS and actually in this period it was able to expand its organisation to new areas and improved its position.

67. The position of the Assam Coal Mine Workers' Union working in the A. R. T. & Co. deteriorated after dismissal of all leading activists on a mass scale following the 1960-61 strike and arrest of the top leaders under D.I. in 1962. However, with the reference of the cases of victimised workers to adjudication, which was deliberately delayed by the Government for a long time, and building of movements on sectional demands, the position is again improving.

Workers Fight back

68. Bitter struggles, though in a few places, have also taken place in Madhya Pradesh mining areas. Here too the organisation got a set-back with the arrest of top comrades under the D.I. in 1962. The attempts of the management of the Burhar group of collieries to crush the AITUC union through gangster methods and dismissal failed but the fight continues. In May, 1964, Com. S. K. Sanyal was assaulted at the Majri colliery which shows the attitude of M.P. mine owners to trade union movement. However, the AITUC union has made some advance in the NCDC coal mines.

69. The Jharia and Hazaribagh (NCDC) coal comrades faced most severe repression in 1965 during the Bihar food movement. All the leading comrades of the Coal Workers' Union and Bihar Koyla Mazdur Sabha, Dhanbad, were arrested under the D.I. Rules and the trade union office at Dhanbad was sealed by the Police for about five months. But inspite of these set-backs, there has been a considerable expansion in the NCDC mines in Bihar and the authorities were compelled to concede some sectional demands as a result of movements initiated by the Red Flag Union. In the Jharia belt, our comrades have been able to main-

tain their base and also fought some bitter struggles against some mine owners, Atwals for example. In the recent period, the Jharia union has also been able to slightly expand its influence through Bonus and food movement.

70. The position of the Singareni Collieries Workers' Union, Andhra Pradesh, which is recognised is somewhat different. It not only defeated all attempts of the INTUC, backed by the State authorities, to disrupt the working class movement but extended its organisation and influence to new areas. The bonus movement was initiated by our union and bonus was won. This period also saw the complete replacement of the CRO labour and many struggles on the basis of departmental demands. The removal of the CRO labour was preceded by an ugly clash between local and outside labour and the Police falsely implicated a large number of union members in a criminal case. However, in the end all were acquitted. The death of Com. Vittal Rao in 1965 has been a stunning blow to the organisation and to miners' movement as a whole.

71(a) The awards of the various Tribunals and Courts are being openly violated by a large section of mine owners and arbitrary working conditions are being imposed to the great detriment of the health of miners.

(b) Besides general retrenchment, thousands of miners, many of whom have put in 20 to 30 years service, both in the Private and State sectors have been thrown out of employment on "Medical grounds". They have been declared to be "medically unfit" and deprived of even retrenchment benefits. The Coal Workers' Union, Giridih, had to serve a strike notice in 1963-64 to halt this policy of what was known as "medical dismissal". But elsewhere no big movement was developed on this issue.

(c) The employers also took advantage of the Mining Regulations and discharged every year a large number of old but skilled and semi-skilled men on the alleged ground of "physical incompetence". No relief has been paid to them.

(d) While the labour strength is being reduced in old coal mines in various ways, the vacancies are not being filled up. In each coal mine, we find an alarming increase in the number of temporary, probationer and badli workers, who have been working for years together and kept at the mercy of mine owners.

(e) Tuberculosis is rampant throughout the mining areas and is increasing. Although neither official statistics nor any medical treatment are available, there are a very large number of cases of Miners' Nystagms, Pneumoconiosis and Silicosis. Although some

years back, Silicosis has been made a compensable disease, not a single miner has been paid any compensation for this deadly disease.

(f) The Housing condition in the coal mining belts is horrible and the mine owners, particularly in the private sector have totally neglected to build quarters for the workmen. Rather there are plenty of instances that the money given by the Coal Mines Welfare Department under the Housing Scheme to owners for building houses has been pocketed by the owners themselves. A Sample survey by the Government some years back in the Jharia and Raniganj belts brought out the horrible data that only 20 per cent of the total coal miners were housed and even out of the 20%, as much as 84 per cent lived in one-room tenements. The Survey also spotlighted the overcrowding prevalent in whatever accomodation was available and it was found that on an average 5.8 persons lived in one tenement and in some of the tenements of dormitory types as many as 15 to 20 persons lived in one shift according to the shift they had to work. There is considerable agitation among workers on this question but no movement has been launched on this issue. Unless the mine owners are compelled to pay house rent, there is little hope that the condition would improve in the near future.

The Survey also showed that most of the houses were bereft of the basic requirements like water supply, drainage, latrines etc. There is a great scarcity of water practically in all the mining areas but all that the miners got so far is some Master Plans.

(g) Nothing has been done for the rehabilitation of the disabled miners and the recommendation of the Industrial Committee to provide light jobs to disabled persons has been flouted by the employers. This period also witnessed an alarming rise in the number of disabled persons in each mine which has become a serious problem for the trade unions.

The Role of the Labour Ministry

72. By the middle of 1962, the industrial relations in the coal belts, particularly in the Asansol belt, deteriorated so greatly and reached such a dangerous point that the Union Labour Ministry was compelled to call a Tri-partite meeting at Delhi on the 5th May, 1962 and even invited representatives of the State Governments to discuss the various questions regarding interference in trade union rights by mine owners, malpractices, gangsterism, question of referring dismissal cases to adjudication, pro-employer

activities of the Industrial Relations Machinery etc. The demand for such a conference was first raised by the AITUC and IMWF.

73. The background of the conference can be best described by quoting a news item which appeared in the *Statesman* on the 26th April, 1962 :—

“MOUNTING UNREST AMONG MINERS
TALKS TO BE HELD ON MAY 5

“The Union Government is concerned over what has been described as mounting labour unrest in many coal-field areas, particularly in the West Bengal-Bihar coal belt. The Union Labour Ministry is also stated to have noted increasing *Communist influence* among miners in the Asansol belt. . . . Since coal raising is insparably linked with the hard core of the Third Plan, unrest in a vital sector of industry is viewed with disquiet. The Union Labour Minister Mr. Gulzarilal Nanda has called a conference of senior executives of the labour departments of States where there are collieries, scheduled for May 5; the meeting will seek to formulate a uniform policy in respect of colliery workers after a detailed review of the labour position in the coalfields.”

74. The mine owners were put in a defensive position completely and the Government was forced to accept certain basic demands of the AITUC and IMWF. (1) The Government gave an assurance that the Industrial Relations Machinery would be improved and the entire Asansol coal belt brought under the R.L.C. (Centre), Calcutta; (2) The Government agreed to refer cases of dismissals to adjudication. Previously, the disputes raised by the AITUC were seldom referred to adjudication. (3) The Government agreed that in all cases of enquiries by the officers of the Labour machinery, unions raising the complaints will be informed; (4) A decision was taken to set up a High Power Commission for the coal belts if the labour-management relations did not improve within six months. The meeting and decisions were great victories of the IMWF and the struggle of miners.

75. The Industrial Truce Resolution and the Code of discipline have been reduced to mockery by the mine barons. There is only discipline; No Code. The Government has refused to intervene in the cases of victimisation or interference in trade union activities by employers. The employers have generally refused to

accept arbitration and even where they had accepted and lost, they bluntly refused to implement the decision or have filed appeals in High Courts.

76. The Department of Evaluation and Implementation gradually lost all its effectiveness and became a department to collect information for the Ministry. During 1962-63, it prepared most arbitrarily and without any consultation with any Central Trade Unions a list of remedies for the removal of so-called "Malpractices" by the coal mine unions and instructed the coal unions to follow them. The list, had it been accepted and followed, would have led to partial liquidation of progressive trade unions in the coal belts. The AITUC and Federation lodged a strong protest and demanded its total withdrawal. Ultimately the list was quietly withdrawn.

77. During the period of 1964-65, at the time of Shri Sanjivayya's Ministry, the Government refused to refer the cases of dismissed workers involved in Police cases to adjudication which greatly helped the mine owners. However, due to the pressure of the AITUC and agitation, this policy was reversed in 1966.

The CRO Organisation

78. One of the most hated and despised institutions in the coal belts is a system of recruitment through an organisation called the Coalfield Recruiting Organisation or CRO, managed and run by the Government with the help of the mine bosses to recruit thousands of workers every year. Under this scheme, workers were sent to various mines. They were known as "slave labour". After a decade of continuous agitation, struggle and ultimatum by all the Central Trade Unions, the Government agreed to change the entire system and a Tri-partite body known as Central Miners' Hostel Committee was set up in 1962-63 to protect the rights of workers put up in camps. However, because of persistent opposition and violation of the decisions of the tri-partite body by the employers, the Central Hostel Committee has reached a complete deadlock and ceased to meet. The position became so critical that the trade union representatives made it one of the central issues in the 9th Session of the Industrial Committee meeting in 1964 and demanded its immediate abolition. After a heated discussion, the Committee unanimously decided to wind up the organisation and authorised the Union Labour Minister to take up the question with the Uttar Pradesh Government which is the home of this organisation.

But since then no progress has been made. The Union Labour Minister has done nothing. The recruitment and maintenance of CRO camp continue. As a matter of fact, along with CRO, some other unofficial recruitment organisations have sprung up. The problem of the CRO labour is particularly acute in Asansol and Madhya Pradesh coal belts.

79. Although Employment Exchanges have been opened up in the coalfields with a great deal of publicity and trade union representatives have been associated with them, the mine owners hardly notify their vacancies; nor do they recruit through these exchanges. We see a strange phenomenon — retrenched workers sitting idle in one colliery and recruitment of inexperienced villagers going on in the adjacent colliery. All schemes and proposals of creating a pool of retrenched coal miners for employment have failed due to opposition by mine owners. The scheme for training of miners, pressed by the trade unions, has yet to materialise.

80. In spite of the Bi-partite Agreement regarding the abolition of contract labour in the coal mines and Recommendation of the Dave's Court of Enquiry, the contract system continues either in disguise or quite openly. The employers are still giving contracts for raising, raising-cum-selling etc. Complaints to the Government Machinery have proved useless. The unions are now demanding total abolition of all contract systems including the seven departments which were agreed to in the Bi-partite Agreement. The bi-partite meetings which took place during 1962, 1963 and 1964 to review the position achieved no purpose excepting setting up a small sub-committee to enquire into the allegations of the workers' organisations regarding violations of the Bi-partite Agreement by the managements. However, this committee also became defunct because of the opposition of the employers and all the three Central Trade Union organisations have requested the Employers' organisation to soon convene the bi-partite meeting to take a final decision.

81. The draft of the Model Standing Order for the coal mines which was hurriedly certified by the Government without consultation with the trade unions came under severe criticism. The matter came up for discussion in the 9th session of the Industrial Committee 1964 which referred it to a tri-partite sub-committee under the chairmanship of the C.L.C. for suitable changes and modifications in consultations with the three trade union organisations. The sub-committee met in the end of 1964 and certain changes were made. The Standing Order which emer-

ged although not perfect is definitely an improvement on the old one. But still a large number of mine owners have not implemented it. Nor is there any movement on the part of the unions to compel the employers to accept it.

Abolish the Coal Mines Bonus Scheme :

82. The Coal Mines Bonus Scheme, linked up with attendance and other conditions like illegal strike etc. deprives a very large number of workers of their due bonus and is a greatest source of malpractices in the coal mines. Its relation to attendance has been rendered unworkable by the spurious system of marking and computing attendance and manipulation of registers. The introduction of Bonus Cards has not improved the position. The total number of irregularities in 1964 came to 4114 on the part of colliery owners — highest in comparison to any other year. The irregularities included non-maintenance of bonus register, improper maintenance of this register, nonpayment of bonus, non-issue of bonus cards, besides short payment and delayed payment of bonus.

83. The trade unions have been all along agitating for its abolition. The Mazumdar Tribunal and LAT rejected it. Before the final session of the Wage Board, all the three Central Trade Union Organisations jointly submitted a memorandum demanding its total abolition and insisting on its merger with the basic wage. It should be noted that under the united pressure of the three workers' organisations in the 9th session of the Industrial Committee in 1964, the Government agreed to refer the question of the Bonus Scheme to the Wage Board — a victory for the workers no doubt.

Accidents, Mines Department and Employers

84. The mine owners have been flagrantly violating the Safety Laws and Regulations and constantly trying to reduce the cost of production at the cost of miners, seriously endangering safety. The Mines Department is understaffed and neither the mine owners nor the Government have so far allowed the workers' representatives or workers' Inspectors to inspect the mines, demanded by all the workers' organisations and unanimously recommended by various Courts of Enquiry into mining accidents and Safety measures. The Mines Department keeps aloof from the workers' organisations. The Department never associates union representatives in enquiries into mining accidents and do not even

inform the workers and unions the results of their enquiries and investigations. All reports of the Mines Department — reports of violations of safety laws by the employers — reports which vitally affect the safety of miners underground are treated as “confidential” and unions are denied access to this information. This attitude of the Department has been severely criticised by the unions in all the Industrial Committees but there has been no change so far.

85. The attitude of the Government has been also unhelpful and pro-employer. After the severe criticisms of the Chinakuri Court of Enquiry, the Government has become extremely reluctant to set up Courts of Enquiry even into cases of serious mining accidents involving the loss of lives of more than three miners. The result is that the reports of these enquiries are never published, methods of conducting the enquiries are never known and no lessons are drawn from them. The Safety committees have proved to be useless and safety weeks have also not served the cause of safety. Even the Dhori Court of Enquiry criticised the way the safety weeks are celebrated in the coal belts.

86. The result is that coal mining accidents not only did not go down but actually shot up very high in 1965, as can be seen from the following data :

<i>Year</i>	<i>No. of fatal accidents</i>	<i>No of persons killed</i>	<i>No of serious injuries</i>	<i>No of persons seriously injured</i>
1960	198	233	3,258	3,308
1961	222	281	3,515	3,369
1962	229	266	3,125	3,165
1963	223	267	2,443	2,494
1964 (provisional)	122	123	1,328	1,347

The slight down-ward trend proved to be deceptive. In 1965, upto June, 300 workers were killed in 29 fatal accidents and 464 seriously injured in 400 serious accidents. (*Lok Sabha question*, 30-8-'65). The total figure is not yet available. Already there have been quite a few big accidents in 1966, the worst of them taking place in the Saunda No. 4 pit colliery (NCDC) killing 5 persons.

87. It was the Dhori accident in May, 1965 that shook the entire country and once again brought the safety question of underground coal workers to the fore-front. As a result of agitation, the Government set up a Court of Enquiry whose findings in the end of December, 1965 clearly and categorically stated "that the accident was due to negligence on the part of the management in the matter of (a) failure to take precautions against coal dust as laid down in the Regulations and (b) failure to maintain the standard of ventilation as required by Regulations." The Court of Enquiry also indirectly admitted what the trade unions have been telling all these years that although under the law a miner is supposed to work for only 8 hours a day, in practice, because of various factors for which the employers are entirely responsible, he is compelled to remain underground for 12 to 14 hours a day. Shri Das said the casualties were heavy because the third shift men went down before the second shift had come up. This is a universal feature in the industry but the Mines Department has so far paid no attention to it with the result, that so many deaths took place in Dhori.

88. The Soviet experts who recently visited coal mines in India have also criticised the existing safety procedure which they found to be ineffective, enforcement of safety measures casual and the manner of investigation into accidents faulty and time-consuming.

89. All these questions and many more are going to be discussed in the coming Safety Conference called by the Labour Ministry towards the end of June where the trade unions would be able to place their views. But what is needed is a country-wide movement by the coal unions to compel the management to make the under-ground conditions safe. So far we have failed to pay serious attention to the safety problems.

The Bonus Movement

90. Although all the three Central Miners' Federations demanded payment of Profit sharing bonus, it was the AITUC unions which actually organised and mobilised the miners to compel the mine owners to pay bonus for the first time. At the call of the Third Conference of the IMWF, the coal unions all over the country observed 1st March, 1965, as "Bonus Day" by holding demonstrations etc. At the same time, the Coal Workers' Union in the NCDC coal mines in Bihar served a strike notice for the payment of bonus. The Singareni Collieries Workers' Union also threatened to start hunger strike on this issue in the month of

October 1965. At both these places, the workers got profit sharing bonus at 4% before the end of the year 1965. This union won another round of victory when its demands for profit bonus for 1961, 1962-1963 and 1963-64 were all referred to adjudication.

91. But for the rest of the industry, things did not move till the AITUC and IMWF met at New Delhi in the third week of February, 1966, and decided to start a three-day hunger strike in all the mines all over the country from 1st to 3rd March and an indefinite hunger strike by the General Secretary of the IMWF from the 2nd March at the Bankola colliery, near Asansol.

92. The mine owners became panicky and offered 4% bonus in four quarterly instalments and pleaded their inability to pay without adequate increase in the coal price. The trade union organisations unanimously rejected this plea. The intervention of the Union Labour Minister on the 28th February failed to solve the impasse.

93. The hunger strike started all over the coal belts as decided though not on the same date and the situation in the mining areas became tense. The possibility of a general strike grew. At the same time, a district trade union committee was set up in the Jharia coal belt consisting of the AITUC, HMS, UTUC and some independent unions which jointly served a strike notice for starting an indefinite strike from 11th April for the payment of bonus.

94. Threatened by the tense situation and the prospect of a general strike, the mine owners retreated and agreed to pay the bonus by the 31st March. The mine owners also took initiative to call a bi-partite meeting on the 21st March to discuss the bonus issue. However, till now quite a large number of mine owners, mainly belonging to the ICOA and IMF have not paid bonus and in many cases the workers have refused to accept 4% bonus. The big concerns by and large have paid 4% bonus. The strike notice served by the United Committee at Jharia has been deferred to 2nd May. In the meantime, another tri-partite meeting took place on the 22nd April at New Delhi on the bonus issue and it was decided to continue the discussion and meet at Dhanbad on 2nd May.

95. The bonus movement has once again shown that a militant united all India action can compel the mine owners to concede the demands of workers. It has opened up new possibilities of unity and of a bigger movement.

Wage Board

96. The Wage Board for the coal mining industry has long ago, in January, 1965, concluded its open hearing. But reports indicate that there is a complete deadlock and it has hardly made any progress. Four years have passed and nobody knows when the recommendations will be submitted. How soon the recommendations of the Wage Board would be out and implemented depends on how soon we are able to mobilise miners and launch a country-wide movement to compel the Board to give a quick decision. So far we have failed to take this issue to miners.

97. Although at the pit level, the understanding and relations between the various trade unions are not at all happy, and the unions affiliated to the INTUC and HMS often side with employers to crush the AITUC unions, the launching of a united movement together with HMS, UTC and independent unions on common issues has become a distinct possibility. And we should sincerely and most seriously pursue it and do nothing which would in any way disrupt such possibilities. The basis of united action has already been laid through close association and joint fight in various tri-partite bodies; joint AITUC and HMS collaboration and work in the Dhori Court of Enquiry and before Wage Board and lastly through the formation of the Jharia Trade Union Unity Committee.

Conclusions

98. The problems whether organisational or of the movement are many and it is not possible to discuss them here. But the basic need is to activate the IMWF, to build up a strong centre to co-ordinate and plan the movements so that industry-wise action can be launched on general issues. Simultaneously, the need to build up a strong centre in each mining belt is also great. Unless both the centres function effectively, it will be difficult to achieve effective co-ordination.

99. The tasks before the IMWF and coal unions all over the country are hard and difficult. In the background of rising prices and falling real wages, the unions will have to wage determined struggles to increase wages and to improve living conditions, for adequate housing and better medical facilities, adequate safety measures, opening of fair price shops, for an immediate decision of the Wage Board, for Recognition of unions on the basis of ballot and for Nationalisation of all coal mines. We will have to fight for trade union rights and civil liberties. The Public Sector has to be defended and at the same time fight must be carried on to end bureaucratic rule and to democratise its structure.

Report On Metalliferous Mines

By

PRAKASH ROY

Secretary, IMWF

India possess tremendous reserves of High-Grade mineral Wealth of various types viz. : Bauxite, Copper, Chromite, Dolomite, Gold, Gypsum, Graphite, Flourite, Lime-Stone, Lignite, Magnetite, Manganese, Mica, Iron-ore, Silica, Sulphur, Tin, Zinc, Antimony, Asbestos, Ilmenite, etc., etc.

Iron

India possesses about one-fourth of the total World reserves of the highest percentage Iron-Ore. It is the single biggest country possessing such large quantity of Iron-Ore deposits although her output today constitutes two per cent of the total World Production, compared to U.S.A. (43%) and U.S.S.R. (28%).

The Region-wise HEMATITE ORE indications are:—

Bihar and Orissa:—Singhbhum, Koonjihar, Bonal and Mourbhanj. Total 2743 million tons.

Madhya Pradesh:— Dalli-Rajhara, Bailadilah, Roughat, Jabalpur and Chanda. Total 1,586 million tons.

Andhra State, Mysore, Rajasthan and Kashmir:—987 million tons.

Grand Total : 5,316 million tons.

According to G.S.I. report total possible reserves of Hematite Ores are 17,630 million tons, Magnetite Ores are 1,610 million tons and Limonite Ores are 2,000 million tons.

Ore Deposites

According to Director of Geology and Mining C.P. & Berar reports published in 1950, in old C.P. & Berar total estimated reserves of first grade *Manganese* Ores are 19.5 million tons and second grade Ores about 3 million tons. The M.O.I. Ltd. has

further proved the existence of Ore beds 1,000 feet below the surface.

According to G.S.I.'s recent investigation (1963-64), high grade Manganese Ores occur near village Kutangi in Moraput district of Orissa State (800,000 tons). Major deposits have also been found in Marivalasa, Salur, Chipurupalli, Garividi and Garbham in Andhra Pradesh and also at Mansar about 50 miles from Nagpur.

Recent investigations have revealed deposits of *Fluorspar*; (a) alongside the border of Khairagarh, (b) near Ambadongar in Baroda district of Gujarat State, (c) Mandokapal, Ramore Hill, Mata Hill, Bhagat Hill and Rehantwali Hill areas of Rajasthan State.

The G.S.I. has estimated reserves at 1 million tons in Ambadongar, about 106,000 tons in Khairagarh (M.P.), 47,000 tons in Rajnandgaon, Chandidongri (M.P.) and about 2,103,000 tons in Dungarpur district.

Reserves of *Bauxite* have been estimated at about 250 million tons in our country. They are located near Bailadilla Hills (M.P.), Koraput and Kalahandi district of Orissa State and in Visakhapatnam district of Andhra Pradesh.

The B.S.P. is having *Quartzite* mines at Danitola (near Rajhara Mines, M.P.). It is further reported to occur at Dalapur in Koraput district and in Telengana Hills of Andhra Pradesh.

Lime Stone

New Cement grade *Lime-Stone* deposits are observed in the the Bailadilla, Vizag area. The deposits are estimated at 5 to 7 million tons.

Lime-Stone deposits are also known to occur in East Godavari, Krishna, Guntur, Khamman, Karimnagar, Adliabad, district of Andhra Pradesh, in Bastar district of Madhya Pradesh and in Koraput district of Orissa State and also in Andaman Nicobar islands. Approximate reserves of Fluxgrade Lime-Stone are estimated at about 400 million tons.

The G.S.I. has reported *Dolomite* deposits at Kothiguda, Khamman, Ramagundam, Visakhapatnam and Karimnagar, district of Andhra Pradesh and in Koraput district of Orissa State.

Copper

In the year 1952, the International Material Conference classified "*Copper*" as a scarce material. There will be, therefore, a regular demand for it in the International Market.

The I.B.M. has estimated deposits of 28.4 million tons of 0.8% Copper, 9.2 million tons of 1.5% Copper, and 2.6 million tons of 2.5% Copper at Khetri.

The G.S.I. has also estimated reserves of Copper of 21 million tons in Roam Sideswar Block in Singhbhum district of Bihar upto a depth of 300 metres.

A reserve of 800,000 tons of Ores, to a depth of 140 metres with 1.75% Lead, 1.55% Zinc and 0.65% Copper has been estimated in Mamandur area of Madras.

Production and Mines

To meet the present demand and to fulfil the target production of 60 million tons of *Iron-Ore* in the Fourth Plan, the following major mines have been exploiting Iron-Ore:

Name of Mine	Production Process	Ownership	Workers employed approximately	State
1. Rajhara Group of Iron Ore mines	Mech. & Manual	H.S. Ltd.	12,000	Madhya Pradesh
2. Barsua Iron Ore Mines	Mech. & Manual	H.S. Ltd.	2,500	Orissa
3. Kiriburu Iron Ore Mines	Mech.	N.M.D.C.	3,000	Orissa
4. Meghahatuburu Mines	Mech.	N.M.D.C.	Coming in 4th Plan	Orissa
5. Bailadila Iron Ore Project	Mech.	N.M.D.C.	Production in 1966	Madhya Pradesh
6. Orissa Mineral Development Corporation	Manual	State	6,000	Orissa
7. Bolani Ores Ltd.	Manual	Bird Co. & Central Govt	6,000	Orissa
8. Karamchand Thaper & Brothers	Manual	Private Ltd.	2,000	Orissa
9. B. Pattanayak Mines Ltd.	Manual	Private Ltd.	2,000	Orissa
10. S. Lai & Co.	Manual	Private Ltd.	3,000	Orissa
11. TISCO	Mech. & Manual	Private Ltd.	8,000	Orissa
12. IISCO Mines	Mech. & Manual	Private Ltd.	6,000	Bihar
13. Nao Mundi Mines (TISCO)	Mech. & Manual	Private Ltd.		Bihar
14. Gogte	Mech.			Goa.
15. And number of small mines in Orissa, Bihar and at Goa.				

Other Metals

Manganese Ore (India) Ltd. (C.P.M.O. + Central Government) in M.P. State.

O.M.C. (Orissa Mining Corporation State Government and Shaw Wallace), TISCO.

IISCO, in (Bihar and Orissa).

K. N. Ram & Co. (Orissa), Bird & Co., etc.

Besides these in Madhya Pradesh, Maharashtra, Bihar and Orissa States, there are number of Manganese Mine Companies, exploiting Ores in Manual Process.

The Bhilai Steel Plant (H.S.L.) is having Chandidongri Mines (M.P.) for the supply of Flourspar, *Lime-Stone* Mines at Nandini (Mechanised Mines) with an estimated reserves of 27.8 million tons Fluxgrade Lime-Stone. The dolomite Mines at Hirri, Bilaspur District (M.P.) owned by B.S.P. have been supplying Ores to all the three Steel Plants. The B.S.P. is having further Lime-Stone Mines near Katni (M.P.).

The Khetri *Copper* Project envisages production of 10,000 tons of electrolytic Copper per annum from 1966. The exploratory work at Daribo Copper Project has also provided the existence of 0.5 million tons of Ore of 2.5 per cent. During Fourth Plan, Daribo Copper Project is to start after the smelter and refinery at Khetri go into production.

The Integrated Neyveli *Lignite* Project has started production since 1963. The full production target of 3.56 million tonnes per annum has begun from early, 1966 and gradually it shall increase the capacity to 6.3 million tons, during the Fourth Plan.

In Salem district there are five *Magnesite* Mines: (1) Messrs. Burn & Co., (2) Messrs. Dalmia Magnesite Corporation, (3) Messrs Salem Magnesite (P) Ltd., and two others employing about 10,000 workers.

The Yercud *Bauxite* and the Madras Aluminium Bauxite are two Bauxite Mines employing about 300 workers.

Employment

From the figures published by the Mines Inspectoratè the average daily employment in non-coal mines in 1963 was 2,44,976 distributed amongst a total of 2366 small and big mines. The major break-up on the basis of mineral industries is : Bauxite 3336, Copper 3953, Dolomite 5608, Gypsum 5434, Iron Ore 44457, Lime Stone 61506, Magnesite 5259, Manganese 36467 and Mica 23248. The number has increased much more in 1966.

Below ground mining is being carried in 621 mines. Large mines with below ground employment of 1601 and more workers are : Copper 1, Dolomite 1, Iron Ore 8, Lime Stone 11, Magnesite 2, Manganese 1, Oil 1. Smaller mines with below ground employment of 400 and above but less than 1600 are : Copper 3, Chromite 1, Galena 4, Sphalerite 1, Manganese 9.

Introduction of highly mechanised mines have brought a new phenomenon in this branch of mining. Such mechanisation has introduced a vast change in respect of productivity and the cost of production in comparison with the manual method. Inside such mechanised mines discrimination is being observed between the highly paid workers and lowest paid categories like Helpers, Fitters, Khalasis etc., in respect of Wage Scales, Quarters and many other aspects.

Old Condition and Wage Scales

The condition of non-Coal Miners in India is the most deplorable in the world. Even today it is worse than the Indian Coal Miners.. Along with the growth of Trade Union movement no doubt the miners have gained something. But the amount of gain cannot be ascertained properly, unless a comparative study is made of the "Productivity", "Profit" and the "Workers' Share" in it.

According to Chief Inspector of Mines, the Wage Scale of Miners in 1938 was:—

	Underground		Open-Working		Surface	
	Miners	Unskilled	Miners	Female Workers	Skilled	Female
Mica	R.a.p.	R.a.p.	R.a.p.	R.a.p.	R.a.p.	R.a.p.
Bihar	0-7-3	0-5-6	0-7-3	0-3-6	0- 6-6	0-3-3
Madras	0-5-9	0-4-9	0-5-0	0-3-3	0- 5-3	0-3-6
Manganese						
Central Provinces	0-6-6	0-6-0	0-4-3	0-3-3	0-11-3	0-3-6
Lime-Stone						
Central Provinces	0-0-0	0-0-0	0-6-3	0-3-9	0- 5-0	0-3-0
Iron						
Bihar	0-0-0	0-0-0	0-5-0	0-3-9	1- 0-9	0-4-0

Practically the same scales continued for years until the workers in an organised manner stepped into long drawn arduous struggles against the resistance and refusal of the employers and compelled them to give something. During this period, for all practical purposes 'Mines Act' and 'Mines Maternity Benefit Act, did not exist in the field.

Struggle and Gains

The struggles and achievements can be divided into three phases:--

First Phase (1946-50)

This was the initial stage of T.U. movement in Iron and Manganese mines of Bihar. Being hard pressed the miners under TISCO and IISCO conducted some agitation. The specific gain, the miners achieved in this area was the introduction of dearness allowance at the rate of 6 paise per rupee for all. Otherwise the wage rates under the IISCO were:

Miner	..	..	0- 6-0 to 0-12-0 a day.
Female Worker	..	..	0- 4-6 to 0- 5-0 a day.
Loco Driver	..	..	0-11-0 a day.
Fire Man	..	..	0- 9-0 a day

Second Phase (1951-61)

Since 1955 the miners of Bihar, Orissa and Madhya Pradesh under the banner of A.I.T.U.C. conducted heroic struggles in wider areas and on some concrete demands. The demands were, wage increase, leave facility, bonus and implementation of the Mines Act and the Mines Maternity Benefit Act.

600 Iron Ore Miners of Bara-Jamda waged a three month strike demanding 25% wage increase and bonus. Twenty two miners were imprisoned for four months, 200 workers were retrenched but at the same time the employers had to agree to a two anna wage increase and the supply of 4 seers of rice per head at concession rates.

During 1956-58, the struggle began in a much bigger area of the iron and manganese belt of Bihar viz. Goa, Manoharpur, Chira and Jamda.

At this stage women workers also came to the fore-front. At Jamda 30 women workers were imprisoned for some time.

The employers requisitioned the services of the local police with the obvious consent of the State Government and organised their own gangster groups using the services of Contractors. Such provocations led to the starting of numerous false cases, organising murderous assaults on the Union leaders and organising clashes with the workers. As a result of such a clash by an agent provocateur, two persons lost their lives. The leaders and activists of the Union (A.I.T.U.C.) were clamped into Jail on a murder charge in April, 1957. The workers resisted heroically and defended their leaders, in an attempt to save them from gallows. A dozen of them had to undergo ten years imprisonment.

The miners faced all these provocations and won in the end. One of the toughest employers of the iron ore mines declared some wage increase, seven days leave with wage, maternity benefit and sick-leave @ 50% wage for fourteen-days if the rest period went beyond seven days.

In 1956 the Iron-Ore Miners at Barbil launched a strike action which was followed by a lock-out for five months from 20th April, 1956 by Bird & Co. The demands were wage increase, Bonus, Leave with wage, implementation of Mines Act and Maternity Benefit Act and introduction of festival leave.

There were two police firings in which eight miners lost their lives.

During 1956-60 there were a number of struggles and strikes in the Keonjhar belt. The strike in B. Pattanayak's mines was another major event which continued for 3 months.

There had been inhuman repression, arrests, and worst possible terrorisation but in spite of all these the miners held the A.I.T.U.C. Banner aloft.

To smash the Trade Union Movement in this Region the 'Gurda-Murder' Case was initiated in 1960 involving leaders and organisers of the A.I.T.U.C. Union, but the might of the Trade Union movement was very great and the employers had to surrender. The miners got not only a four-anna wage increase but seven days festival leave facility also. Provident Fund Act, Maternity Benefit Act were implemented too. Above all the T.U. Leaders involved in Gurda Murder Case were acquitted by the Court.

The slump in the Manganese Industry began in 1954 as a result of economic recession in U.S.A., who happened to be our principal purchaser. This resulted in closure and retrenchment. This was the period when A.I.T.U.C. Unions took the leadership of the movement in the Balaghat and Bhandara Districts and it

assumed a broader character. The I.N.T.U.C. as usual exposed its own character by agreeing exactly to what the Indian and Foreign Manganese bosses wanted.

The average wage of miners at that time was Re. 1/- for men and -/14/- for women. But as a result of agitation and struggle Bindra Tribunal gave its award in July, 1955. Apart from wage fixation of different categories of workers, the Award gave the right of attendance bonus of one month's basic wage per quarter for a minimum attendance of 65 days, Rs. 3 per-month house rent allowance in lieu of free-housing, eight days paid sick leave per year, and some other amenities like Medical Aid, Drinking Water Facility, etc.

The employers refused to implement it and went in appeal. While the appeal was pending the export position of manganese improved. Due to this and in the face of wider agitation and struggle in November, 1957, there was an agreement between the Trade Unions (Minus I.N.T.U.C.) and the employers, agreeing to the following Wage Scales:

Miners in a Quarry Mine	..	Rs. 1-2-0 per-day.
Miners in a Boulder Mine	..	Rs. 1-7-0 per-day.
Surface Mazdoor	..	Rs. 1-5-0 per-day.
Woman Worker	..	Rs. 1-2-0 per-day.

Bonus and paid sick leave as in the Bindra-Award were also agreed to.

Even after this agreement was signed its implementation depended much on workers' organised strength having capacity to exert pressure. The A.I.T.U.C. Union took initiative in enforcing the implementation of the agreement. But due to the so-called export crisis and the Government's neglectful and irresponsible attitude towards the Manganese Miners and its desire to guarantee a good slice of workers' earning to Foreign and Indian Manganese bosses, the gain could not last long. The crisis of export market is being solved by the employers, even today, by putting the axe on the workers' privileges, introducing wage cuts, closures, retrenchment, raising the work load and launching attacks on the unions.

Major Gains

It was these heroic struggles and sacrifices that enabled the non-coal miners along with the coal miners to attract the attention of the people and other section of workers in this Country. The A.I.T.U.C. and the Indian Mine Workers' Federation thus, was able to bring pressure on the Government, as a result of which :

- (i) Mines Act was amended in 1959 and was brought into force with effect from 16th January, 1960. The below ground Miners got the privilege of leave with wage @ one day for every 16 days' attendance and the other miners @ one day for every 20 days' attendance.
- (ii) Mines Maternity Benefit Act, 1941 was amended in 1961 and women workers in mines have since been enjoying three months maternity leave with full average pay.
- (iii) Metalliferous Mines Regulation Act, similar to Coal Miners Regulation Act of 1957, was enforced in these mines in 1961 placing special stress on safety measures.
- (iv) The Government was compelled to appoint two Wage Boards, one for Iron-Ore Industry and the other for Lime Stone and Dolomite Industry in 1963.
- (v) An Iron ore mines welfare cess organisation came into being.

Third Phase (1952 onwards)

The Third Phase of the struggle began with the demands that Contract Labour System in non-coal mines be abolished and 'Interim-Relief' be granted and implemented. In this phase the co-ordinated action of non-coal miners has been taking shape gradually. Another special feature of this phase is that the workers employed in the Public-Sector Mechanised Mines have been coming to the fore-front, shoulder to shoulder with the worst exploited manual miners.

In 1964-65, miners conducted a number of struggles at all these places. Besides the demands mentioned above, they fought for an 'annual' sliding scale adjustment of D.A., linked with Consumer price-Index numbers', for the establishment of a 'Wage Board for Manganese Miners', and for the grant of 'T.U. Rights and Recognition of Trade Unions by Ballot'.

The A.I.T.U.C. Union at Rajhara Mines ventured to call one day's token strike on 29th June, 1964. This was the first strike in the Public Sector non-coal mines and the response was quite good.

In November, 1964, miners of Keonjhar area observed one day's token strike.

There were a series of hunger-strikes in the Manganese mines of Balaghat (M.P.) and Maharashtra. Besides this there was the 114 days united strike of 10,000 iron-ore and manganese miners in Keonjhar-belt in Orissa Strike notice by twenty thousand

iron ore miners of Goa, a number of sectional strikes and hunger strikes in the Captive mines of Bhilai Steel Plant at Rajhara and at Nandini Lime Stone Mines and militant agitation in the captive mines of TISCO, IISCO and other N.M.D.C. Mines, were the other notable struggles.

The employers and the Government have been making all attempts to suppress the edge of the movement. In the face of police repression, arrests, mass retrenchment and many other offensives of a like nature, the miners marched forward and compelled the Government to enforce the Minimum Wage of Rs. 2.50 per day and Interim Relief as recommended by both the Wage Boards in the areas where the Miners participated in such struggles.

In a number of Mines in Orissa and Bihar States, the Miners have received payment of Bonus from 4% Minimum to 20% (in some cases) as a result of 'All India Agitation' in response to the call given by the A.I.T.U.C.

Out of the five Magnesite Mines in Salem District (Madras State) the miners of Messrs. Burn & Company and Messrs. Dalmia Magnesite have earned 20% bonus for the year.

The fact remains that the Wage Board for the Maganese Miners has not yet been appointed, the protection of Minimum Wage is yet to be guaranteed in many places where the miners are unorganised, the Government's policy to maintain Contract Labour System in these mining fields is yet to be changed by a determined blow of the miners, the payment of bonus is to be guaranteed in all the places where the payment has not been made and above all the D.A. question still remains unsolved but nobody can deny that these struggles of the miners are pointers to the new phase.

The unemployment and closures, poverty and starvation, skyrocketing prices and the steady decline in miners' real earnings, the age-old anarchy in wages without any revision have bred a spirit of added determination and confidence amongst the former 'Backward' non-coal miners, who in this way have been coming forward in this new phase under the A.I.T.U.C. Banner.

The 99% success of one day's token strike in the public sector mines at Rajhara and Nandini on 28th March, 1966 has filled the hearts of non-coal miners with a new inspiration for forging a new path for themselves.

Efficiency and Production

It will be seen that the index number of production of some important mineral products and output per man year, have

been showing a constant upward trend. The Indian Mining Association (TISCO, IISCO, BOLANI, BIRD & CO. and the other big mine owners) have admitted that the productivity of iron ore mines since 1956, has increased considerably i.e. by more than 58%. We can consult further the figures published by the Indian Labour Bureau in this respect.

Index Number of Mineral Production on Base — 1960=100.

Year	Iron-Ore	Bauxite	Copper	Ilmenite	Manganese	Mica	Gypsum
1961	115.2	123.0	94.4	69.6	102.6	97.0	85.9
1962	126.5	151.7	109.8	55.2	102.3	97.5	112.5
1963	140.4	147.0	105.8	10.4	91.8	86.6	119.5
1964	143.3	153.0	105.6	4.8	108.8	78.0	88.6

Output Per Man Year

<i>Minerals</i>	<i>1959 (Tons)</i>	<i>1960 (Tons)</i>	<i>1961 (Tons)</i>
Iron Ore	192.49	214.08	224.96
Lime Stone	297.18	286.61	262.56
Magnesite	28.83	31.59	29.47
Manganese	19.65	21.08	26.21
Bauxite	164.39	193.01	156.23
Copper	89.67	99.37	101.18
Dolomite	180.33	217.28	182.60
Gypsum	199.37	208.10	226.59

(Mineral Industry Association, Nagpur.)

Mining group index number of industrial production was 87.0 in 1951; in 1963 it rose to 175.9 (Base 1956=100).

The Combined Index Number of Metal mining production in India was 90.6 in 1952. It rose to 110.5 in 1964. The Index number of non-metallic mining rose during this period from 89.9 to 119.3 (Base 1960=100). The output per man year has also been rising (Indian Labour Statistics, 1965).

Price & Profits

There are two avenues of disposing of the mineral produced in these mines: Export and indigenous consumption in Steel Factories.

As per the report of the M.M.T.C. following rates are given to mine owners for the purchase of iron-ores.

For Durgapur Steel Plant :

- (a) Blast furnace grade iron ore 58% to 60%.
 Rate = Rs. 11.82 per-metric ton basis 58%.
 Unitage : per unit per metric ton .49 paisa with the maximum = Rs. 13.05.
- (b) High Grade Ore 64% to 66%.
 Rate = Rs. 14.50 per metric ton basis 64% ;
 Unitage : .74 paisa per unit per metric ton.

For Rourkela Steel Plant :

High Grade Ore 63% to 65%.
 Rate Rs. 15.25 per metric ton for Bihar Ore.
 Rate for Orissa Rs. 14.75 for the same percentage.
 Unitage : .74 paisa per unit per metric ton.

For Export :

Rs. 12.95 for Orissa Ores.
 Rs. 13.45 for Bihar Ores.
 Basis 65%, Unitage .50 Paisa per unit per ton.
 Ceiling price = Rs. 16.00.

The above rates are applicable up to a distance of eight miles.

Thereafter .40 paisa per ton per mile additional lead charges are paid.

In Public Sector

The share of miners in public sector mines can be estimated from the production cost as calculated here approximately :

**Manual Mining :*

Cost of production of float ore per ton (Raising, Loading, Transporting Supervision and Contractor's profit).
 All inclusive Rs. 8.50

Approximately.

Railway Freight from Rajhara to Bhilai Rs. 6.00 per ton.

**Out of Rs. 8.50 Contractor's per ton maximum expense is Rs. 6.50 (Labour payment, establishment etc. all inclusive)*

Mechanised Mines :

Store & Spare parts	Rs. 3.00
Transport upto crushing Plant	Rs. 2.00
Explosives	Re. 1.00
Sampling	Re. 0.12
Electric Charges	Re. 0.25
Depreciation on machinery and reduction cost	Rs. 3.00
Supervision etc.	Rs. 2.00

Rs. 11.37

In the absence of balance sheets the actual profit cannot be stated clearly. But how these metal and metal mining companies have been minting money can be imagined from the balance sheets of IISCO (Indian Iron & Steel Co. Ltd.) for the years 1957-58 to 1962-63, published by them.

<i>Financial Year.</i>	<i>Amount of Nett Profit Shown in the P. & L. a/c.</i>	<i>Dividend on Ordinary Shares.</i>	<i>Reserves & Surplus.</i>
1957-58	Rs. 17,98,193	10	Rs. 14,79,84,531
1958-59	Rs. 17,49,469	10	Rs. 17,93,96,943
1959-60	Rs. 2,04,23,465	15	Rs. 20,90,23,295
1960-61	Rs. 6,99,81,665	16	Rs. 24,42,79,543
1961-62	Rs. 9,18,78,416	16	Rs. 27,49,55,541
1962-63	Rs. 9,11,89,201	16	Rs. 30,89,05,725

In 1957-58 its ordinary share capital was Rs. 11,00,00,000 i.e. there were 1,10,00,000 ordinary shares of Rs. 10 each. But in 1957-58 the Company increased its ordinary shares to 1,30,00,000 of Rs. 10 each. From 1950-61 to 1962-63 the Company issued 20,73,483 fully paid bonus shares to share-holders. So the share-holders have been getting quite a lot by way of "increased dividend" and "bonus shares".

This single example is enough to act as an eye opener for the miners as well as the steel workers of India.

Workers' Share

And what were the wage rates paid to miners ?

In the year 1958 the IISCO granted some wage increase to the miners, as shown below :

<i>Designation</i>	<i>The Then Existing Wage Rates</i>	<i>Increment granted in 1958.</i>
Kamin (woman)	0- 7-6 to 0-11-0	0-2-0 per day.
Mazdoor	0-10-0 to 0-12-0	0-2-6 per day.
Loader	0-10-0 to 0-14-0	0-2-6 per day.
Pump-Khalasi	0-12-0 to 1- 0-0	0-3-0 per day.
Driller	0-12-0 to 1- 0-0	} 0-3-0 per day.
Mining Mate	0-14-0 to 1- 2-0	
Fitter Helper	0-14-0 to 1- 2-0	
Tub Fitter	1- 0-0 to 1- 4-0	} 0-3-0 per day.
Blaster	0-15-0 to 1- 3-0	
Hammer Man	1- 0-0 to 1- 4-0	
Loco Fireman	1- 0-0 to 1- 4-0	
Fitter Grade I	1- 6-0 to 1-12-0	

In collusion with INTUC the TISCO introduced the following wage scales in 1961.

<i>Designation.</i>	<i>Existing Grade.</i>			<i>Revised Grade.</i>		
Reja (Woman Worker)	0- 9-0	0-1-0	0-13-0	0.90	0.08	1.22
Woman Sweeper	0-10-0	0-1-0	0-14-0	0.97	0.98	1.29
Mazdoor	0-10-6	0-1-0	0-14-6	1.02	0.08	1.34
Driller	1- 2-0	0-1-0	1- 7-0	1.60	0.08	2.00
Mate, Shovel operator Gas-Cutter Helper 'A' Fitter, Electric Fitter, Hammerman, Machi- nist and Moulder	1-10	0-1-0	1-13-0	2.10	0.08	2.50
Telephone Operator						
Shot Firer						
	1-10-0	0-1-0	1-15-0	2.26	0.08	2.66

<i>Piece Rated Miners.</i>	<i>Existing Rate. Revised Rate.</i>	
Hard Ore Mining per box (1.0 ton)	0-8-9	0.80
Soft Ore Mining per box (1.0 ton)	0-6-3	0.57
Hard Ore Drilling per running foot	0-4-0	0.28
Soft Ore Drilling per running foot	0-3-0	0.27

And now the minimum wage has come to the level of Rs. 2.50 per day, during the Third-Phase of the Struggle.

Wage Rates in Magnesite Mines (Salem)

<i>Company</i>	<i>Per Day Wages paid by Company. (all inclusive)</i>	<i>Per Day Wages paid by Contractors.</i>
M/s. Burn & Co.	Rs. 2.35 to 3.00	Rs. 1.37 to 2.25
M/s. Dalmia Magnesite	Rs. 2.00 to 3.00	Rs. 1.36 to 2.00
M/s. Salem Magnesite	Rs. 2.00 to 3.00	
Ponkumar Magnesite Mines	Rs. 1.25 to 2.00	
Shyama Magnesite	Rs. 1.25 to 2.00	
The Yercud Bauxite	Rs. 1.75 to 2.35	
The Madras Alluminium Bauxite	Rs. 2.50	
Seshasayee Lime Stone Mines	Rs. 2.00 to 3.00	

Manganese Market

In the year 1953 the price of high grade Manganese Ore went up to Rs. 170 per ton. During the period of slump in 1954 high grade Ores were quoted near about Rs. 50 per ton. What the workers received by way of wages during this period has already been mentioned above. Export crisis has become the permanent cry in this industry to turn down the demand of wage increase. But the Balance Sheet for the first nine months of the working of the Company Manganese Ore (India) Ltd., Nagpur for the period ending 31st March, 1963 showed a net profit of Rs. 1,80,967.69.

Price Index and Its Effect

The employer's argument is that along with the rise in the index number of the productivity, the wages have been increased considerably and they have now come to Rs. 2.50 minimum for men and women workers, i.e. to a ceiling stage.

But apart from the question of profit and the workers' legitimate share in it, we must compare wage increase with the rise in the price index number during the last ten years to enable us to get the real picture.

During these years the Consumer price index number (average) for the working class for all India interim series has shot up from 105 in 1951 to 166, in 1965 (Base 1949=100).

Dearness Allowance

The D.A. forms an important ingredient in the wage structure of the working class. It is supposed to neutralise the rise in price index. But nowhere in non-coal mines has the D.A. system been introduced as a rule uptill now. The piece-rated miners who constitute 70% of the total strength are deprived of D.A. benefit. The daily wagers under public sector mines do not get D.A. at all. The miners (time rated) in the modern mechanised mines (both public and private sectors) are paid only consolidated D.A. In H.H.L. Mines it is Rs. 15 per month upto a salary of Rs. 150, and Rs. 30 for salaries exceeding Rs. 150.

In conclusion, the index number of mineral production has gone up, the output per man year inspite of malpractices by the Government, has been increasing, the consumer price index number too has gone very high, but the real earnings of the miners either remained constant or have actually gone down. This is the

true picture of the miners' share in the industry although they constitute the foundation of modern industrial and economic development.

Women Workers in Mines

According to the Indian Labour Statistics of 1965 the average daily employment figures for women workers in Non-Coal Mines in 1963 were as under:

(Figures in thousands)

Mica	..	..	..	1.9
Manganese	..	..	..	14.6
Iron Ore	..	..	..	11.6
Others	..	..	..	35.0
Total	..	..	..	<u>63.1</u>

But this is not the correct position. The women employment in Non-Coal Mines would be at least 45% of the total.

Land hungry peasants, Adivasis, and the people facing starvation in villages generally come forward as miners. That is why not only the mothers and sisters of the family but the teenage boys and girls are found in thousands to do such hazardous jobs here.

The women in mines have to work very hard but their wage rates are lower than those of the male workers. Only a year ago equal minimum wage has been announced as a statute by both the wage boards. But till now it remains a question of implementation where the T.U. movement is weak or absent. The Mines Maternity Benefit Act has been amended but the benefit of this Act is constantly nullified by sabotage of mine owners and contractors. In order to change the worst serf condition of women workers in mines, it is necessary to build up a powerful democratic opinion, not only by the trade unions but by other democratic organisations of women of this country.

Housing

The much advertised township of the modern mechanised mines under the public sector mines does not reflect the actual housing conditions of the Non-Coal Miners.

Many of the mine owners and contractors as a class, do not accept the responsibility for providing residential accommodation

of any kind to the miners. Obviously the vast majority of the miners are forced to live, in all seasons, in the self-made hutments made of dry branches and tree leaves and covered with bamboo mattings.

In private mines like IISCO and TISCO, Bird & Co., I.M.O. Ltd., etc., only 40% of the workers are provided with 'Dhawras' of 8' x 10' and sometimes it becomes common residence for two families of 7/8 members. In public sector mines too the daily wagers have not been provided with any quarters for years.

There are no sanitary provisions, no means of getting rid of flies. Thousands of miners and their families eat, sleep and wash wherever they get such an opportunity. In the hot summer season even drinking water is not provided in many places. In Bihar State, under Messrs M. G. Rungta at Dongauli Mines, the water crisis is so acute that miners get the privilege of bath only once in a week (on rest days).

Health

Under such "ideal housing" and "sanitation" there cannot be any control over "child mortality", "mothers dying of child birth", and epidemics of various types. Till today, the vast numbers of non-coal miners are deprived of proper medical facilities. For the miners under the Contractors, they are totally unknown. In hospitals, if they are provided at all in some of the mines, facilities are given only to privileged persons, particularly to officers and supervising staff. In case of accidents normally there is none to care or to provide first-aid.

According to Government figures in Non-Coal Mines, in 1963 there were 77 deaths and 1,577 serious injuries and the number in 1964 was 109 deaths and 1,217 serious injuries.

Silicosis is a dangerous disease in the Manganese field. To check this, dry-drilling was forbidden and silicosis has been made a compensable disease. But so far as our information goes this has not been implemented.

Dry-drilling is being continued in Bhilai Steel Mines at Rajhara. As a result, the number of T.B. cases has been increasing. The News Bulletin "*Rajhara News*" dated January 26, 1964, published by the Mines Authority reported that in 1963 alone 517 old T.B. patients and 17 new ones were attended to in the B.S.P. Hospital.

The welfare cess organisations in Iron Ore mines can, if they mean do something for the miners' health and housing. The

A.I.T.U.C. representatives in these organisations in Madhya Pradesh, Maharashtra, Bihar and Orissa States have been consistently fighting for giving top priority for such measures. But, their proposals are turned down by the brutal majority of the employers and I.N.T.U.C. combined and the funds are being spent on the purchase of radio sets, gardens and open air theatres etc.

Trade Union Rights

Mine owners know well that trade union organisation, if once permitted would sound the death knell of profiteering and of slave condition of the workers. Victimisation therefore, of prominent leaders, assaults and prosecutions at the hands of the police are the common methods followed by the mine owners.

Most of the Non-Coal Mines are situated in obscure forest areas. Hence trade union meetings become difficult. Miles and miles of land are declared the private property of mine owners. Trade union organisers are very often prosecuted for trespass and where the organisation is weak, the miners are victimised on this ground. Under the protection of police and Government such mines virtually turn into the latest models of Concentration Camps.

In public sector mines too one has to cross all such hurdles to establish trade union organisations. There, the fundamental right of the workers is being encroached upon by not allowing the workers to choose their own organisation or to establish an office of such a registered trade union.

With a view to impose I.N.T.U.C. over the heads of the workers such paper organisations are given recognition by the employers and the Government. Until the workers' own organisations acquire sufficient strength to exert their authority by various methods of direct action, there is no scope for normal trade union functioning. In public sector mines experience is extremely bitter.

In spite of all such handicaps the A.I.T.U.C. unions have organised 15 percent of the total non-coal workers and have extended their influence over 25 per cent miners, approximately.

Task

The major duty then is to carry on an extensive campaign amongst the miners to develop their consciousness regarding:—

- * The vital position of the mining industry and its future prospects;

- * Miners' contribution in respect of independent industrial development;
- * How the huge amount of profit is being accumulated in both Private and State Sectors and how the miners are deprived of their shares;
- * Attempt of reactionary forces, foreign capital and the Government to sabotage the country's economic development;
- * How the problems of the miners are connected with national planning and how until the whole direction is changed, at least towards the non-capitalist path, the problems shall remain aggravated;
- * The importance of industrywide — co-ordinated action to do all these things.

In the present state of affairs as it is going on, longer the period the more would be the demoralisation and there is every danger of stagnation too. Therefore, we must select some major demands on an industry basis with a definite orientation and come in the field as a dynamic force.

Demands

- (A) *Wages*—After 18 years of independence there is no justification for being satisfied with the 'Living Minimum Wage'. Irrespective of Wage-Boards' recommendation therefore whatever they give, during the Fourth Plan period our battle shall be for, "Nationalisation of all mining industries" and for a "National Standard Fair Wage". Further while determining wage scales the existing big gap between the minimum and the maximum wages must be reduced.
- (B) Sliding scale of D.A. for all categories of workmen (time rated, piece rated and daily rated) with 100% neutralisation and quarterly reviews.
- (C) Total abolition of the Contract Labour System and employment of all with continuity of service under the respective mine owners. Total rejection of Contract Labour Reegulation Bill. For the interim period, Mine Owners must shoulder the responsibility to give to these Contract Labourers all facilities enjoyed by other miners.

- (D) Supply of concessional food grains to all miners in all States. Guaranteed supply of all consumer goods at controlled prices in all mines.
- (E) Full freedom of Trade Union activity and recognition by ballot.
- (F) Compulsory arrangement for adequate medical treatment and decent housing with proper sanitation for all.
- (G) Payment of annual bonus on the basis of the A.I.T.U.C. Formula.
- (H) Seven hours working day for all miners.
- (I) Gratuity benefit.

The Twenty Seventh Session of the A.I.T.U.C. is being held when the whole nation is standing at a cross-road. The trend of the Government policy is very clear to all. It is not growth of Capitalism alone but there are increasing threats of Foreign Monopoly Capital and Neo-colonialist influence in our economy. The reactionary monopoly section has been making vigorous attempts to trample democracy. The question before us today is not only to achieve demands but to stabilise them further for which the working class must take the lead to develop an effective democratic opinion on a national scale, so that it will be in a position to intervene and change the direction of our economy towards further progress and ultimately towards Socialism. The miners in India along with the workers of basic metal industries occupy a key position in all such battles.

Dated 17th April, 1966.

All-India Trade Union Congress

27th SESSION
Bombay

REPORT ON OIL INDUSTRY

by

Com. G. SUNDARAM

General Secretary, Petroleum Workmen's Union, Bombay
and All India Petroleum Workers' Federation

SIXTEENTH — TWENTYSECOND MAY, 1966

Report on Oil Industry

G. SUNDARAM

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and All India Petroleum Workers' Federation*

The Industry consists of exploration and production companies/undertakings, refining companies/division and marketing/distribution companies in addition to transportation (pipeline companies/division). The picture at the beginning of the Third Plan was that the industry was by and large monopolised by foreign oil cartels. This has been confirmed by the Report of the Monopolies Inquiry Commission. According to this report production was

		Burmah-Shell	Esso	Caltex	A.O.C.	No. of enter-prises	% share of top 3
Total industry	%	42	31.1	12	6	6	85.1
Kerosene Oil, Diesel Oil & Light Distillates	%	51	25	12	6	6	87.3
Bitumen		67.6	29.4	—	—	—	—
Furnace Oil		37	40.2	15.1	—	—	—

Also, in the compilation by "Economic Times" of 51 Industrial Giants in 1961-65,

In gross profits as % of total capital employed :

Burmah-Shell ranked	15th	with	16.5%
Esso	22nd	„	12.5%
Caltex	51st	„	1.8%

In profits after tax as % of net worth:

Burmah-Shell ranked	35th	with	9.8%
Esso	43rd	„	6.9%
Caltex	51st	„	-0.6%

The Indian Oil Company incorporated in 1959 was the public sector marketing company to handle the import and distribution of deficit products like kerosene and High Speed Diesel Oil from rupee sources so as to conserve foreign exchange. It started with no installations/ facilities for storing and distributing oil, which were virtually owned by three major foreign companies and two minor ones besides one Indian company (WIODC) having 2% of the trade. The Government of USSR through its export organisation, were extremely keen that petroleum products imports (particularly kerosene and high speed diesel oil) should be included in the Trade Plan for 1960 and the initiative taken by Soviet Union in concluding a deal with Hindustan Organisers, the associate of WIODC gave a phillip to IOC to launch its activities. Straightaway, it faced the powerful competition and price cutting by the foreign companies.

In accordance with the Industrial Policy Resolution of 1956 oil development was planned to take place solely in public sector. The Oil and Natural Gas Commission which commenced exploration work in Public Sector in 1955-56 decided to take the disinterested help of socialist countries, particularly Soviet Union and Rumania. The Government also decided to set up refineries in public sector beginning with Nunmati in Assam and Barauni in Bihar, the former with financial and technical help from Rumania and the latter from Soviet Union. The Indian Oil Company was assigned the task of distributing the production of these two public sector refineries also.

Since the Assam oil company, the oldest foreign oil company in Assam was making headway in discovering new oil fields, the Government of India set up Oil India Ltd. a 50:50 partnership company, with Burmah Oil Company, the parent company of AOC. BOC contributed its share in foreign capital of Rs. 14 crores. Oil India Ltd. was given the task to increase production and exploration in Assam and to supply crude oil to Nunmati and Barauni refineries in addition to AOC. The deal with this foreign oil company by which it is guaranteed 9% net return with a maximum of 13% on investment after payment of all taxes and which extracted reimbursement of its investments by direct payment of over Rs. 10 crores is not advantageous to our national interests in view of the fact that 11 crores of rupees were paid as subsidy to ensure the payment of such a dividend during 1962-64. In 1965, 7 crores would have been paid. Oil India Ltd. operates Nahorkatiya, Hugrijan and Moran fields, which were first discovered and explored by AOC but transferred to the new com-

pany. The commitment by OIL is to supply up to 2.75 million tonnes to Nunmati and Barauni refineries and upto 0.435 to AOC. This is another instance of how foreign monopolies and cartels manage to defraud our exchequer through the means of complex mechanism for pricing of crude oil.

Pipelines had to be laid from the Assam oil fields for supply of crude oil to the two refineries and also for economic distribution of the refinery production.

Thus, the Indian Oil company has been transformed into Indian Oil Corporation Ltd. with four divisions — Marketing Division, Refineries Division, Pipelines Division and Gujarat Refinery Project. The latter was first conceived to work under Oil and Natural Gas Commission. However, the latter has been left with responsibility for exploration and production of oil throughout the the country including Assam and for which it has also set up a Research Agency in Indian Institute of Petroleum located in Dehra Dun.

The further development in oil industry took a change in basic policy decision because the third Cochin Refinery has come about with participation of both American (Phillips Petroleum) and Indian monopoly (Duncan Bros. & Co. of Calcutta) capital, with the right of management vested with Phillips for 5 years and freedom to import its own crude for 15 years.

The last venture and the most recent is launching of Lube India, a 50:50 partnership with Esso and effective management with Esso, only the Chairman of the Board being nominee of Government.

Another major change in the original oil policy is the impending deal with American capital for off-shore exploration of oil in Cambay with prospect of heavy drain of our exchequer as is taking place in the Oil India deal with BOC, apart from the fertiliser deals in which Esso and others are involved, and further extension to petro-chemical projects too.

The general slow down, bureaucratic hold-ups and refusal to extend labour-management participation in the various enterprises both in commissioning and functioning them, have not only invited parliamentary criticism but also undermining at the hands of private sector wholly in foreign (Anglo-American) hands and which are linked with the public sector almost on a day-to-day basis. This was witnessed in a demonstrable way in May 1965, and it is even today being witnessed, when scarcity of kerosene and high speed

diesel oil overtook the country with the stoppage of imports of these deficit products by foreign oil companies which were not given hard "free" currency to import from their tied-up sources in Middle East etc. and the inability of the public sector IOC to cope with this planned undermining in distribution by foreign companies.

The over-all situation is one of the evils of private sector overtaking the public sector and the policy of public sector dominating private sector in this industry is receding day by day.

INVESTMENTS AND PROFITS

Private Sector

The foreign investment in Petroleum at the end of 1959 was Rs. 120.7 crores, the biggest out of the total foreign investment of Rs. 610.7 crores. Some available details are as under :

- 1) Burmah Oil Co. (India) Trading Ltd., marketing petroleum products for Assam Oil Company is a subsidiary of Burmah Oil Co. Ltd. In addition to sharing 50:50 capital in Oil India Ltd., Burmah Oil agreed to provide a loan of approximately £11,000,000 against the sterling exchange element of the cost of 720 mile pipeline from the oil fields to public sector refineries at Gauhati and Barauni. Burmah Oil Co. also holds a 50% interest in Burmah-Shell Refineries and in Burmah-Shell marketing company.
- 2) Assam Oil Co., Digboi in Assam. Capital £4,000,000 increased from £450,000 in 1958 and all the issued share capital is held by BOC. AOC refining capacity 0.425 million metric tons per year.
- 3) Burmah-Shell Marketing Company. Capital £10,000,000, all shares issued and fully paid-up. It is the marketing organisation of BOC and Shell International Petroleum Co. who own it 50:50. It is distributing agent for its 3 consignors, BOC, Shell and B.P.
- 4) Burmah-Shell Refineries. Capital Rs. 25 crores in preference and ordinary shares and total cost of the refinery was about Rs. 26 crores.
- 5) Esso marketing a branch of Standard Oil Co. of New Jersey which floated the subsidiary of Esso Standard Eastern Inc. for marketing and distribution in Burmah, Ceylon and India and acquired the original Stanvac.

- 6) Esso Refining Co. Capital Rs. 3 crores and Rs. 4 crores debentures. Cost of the refinery about Rs. 17.5 crores.
- 7) Caltex Marketing Co. Owned by California Texas Oil Corporation with share capital of Rs. 26.86 lakhs till 1956 raised to Rs. 98.15 lakhs in 1957.
- 8) Caltex Refining Co., a subsidiary of California Texas Oil Corporation. Capital Rs. 6 crores and debentures Rs. 2 crores. Cost of the refinery about Rs. 15 crores.
- 9) Indo-Burmah Petroleum Co., marketing company operating in Burmah, India and Pakistan, Capital Rs. 1.5 crores and is a shareholder in BOC subsidiaries in Burmah.

Some figures given in Lok Sabha on March 9, 1966 are as follows :

REFINING COMPANIES

	(Figures in Lakh Rs.)			
	B.S.R.	Esso	Caltex	Total
Capital invested/employed at time they went into production	2941	1594	1412	5947
Gross Profits (1954 to 1964)	6113	2951	2552	11616
Net Profits (1954 to 1964)	3426	1214	427	5067
			(Loss in 1964 Rs. 13.23 lkh)	
Remittances (Reserve Bank figures) (which include cost of Crude Oil imported in case of Esso)	3507	11861	250	15618

MARKETING COMPANIES

	Burmah					Total
	Shell	Esso	Caltex	BOCIT	IBP	
Gross Profits (1954-64)	5733*	12094	6466	1250	671	26204
Net Profits (1954-64)	1966	1356†	274§	471	315‡	4382

(Figures in Lakhs Rs.)

NOTES:

- * Burmah-Shell profits are only on 10% commission it earns on sales and rent/hire on facilities charged by it to the Consignors for the facilities used in distribution; Consignors BOC, Shell & BP earn bulk of the profits. (Also, on the ground that discounts to be had

were not available, lower net profits shown from 1959 onwards, e.g. in 1955 net profits were 181 lakhs against gross profit of 414 lakhs: But, in 1963 net profits were only 213 against gross 707 and in 1964 net was 179 against gross 581 lakhs).

† After showing a loss 135 lakhs in 1960 and after write-off 594 lakhs as loss in exploration in the notorious Indo-Stanvac project in which Government was saddled with three times this loss. Also showing discounts to be had as not available e.g. showed a net profit of 496 lakhs in 1954 when gross profits were 943 lakhs and capital employed 1876 lakhs i.e. net return of 21.6%. But, in 1964 net profit shown is only 32 lakhs against gross profit of 1137 lakhs with net return of 1.6% on capital employed of 4695 lakhs).

§ After showing a loss 126 lakhs during 1959-62 and in 1964, 60.95 lakhs for 1964 alone. Also showing discounts to be had as not available e.g. showed a net profit of Rs. 134.66 lakhs in 1954 against a gross profit of 542.44 lakhs whereas in 1964 a loss of 60.95 lakhs was shown against a gross profit of 593.16 lakhs though in the previous year 1963 gross profits were 662.91 lakhs but with a net profit of only 2.09 lakhs.

‡ Net profits from 1959 onwards were less for reason showed discounts to be had as not available.

HOW MUCH MORE CAN THE PROFIT BE IN FACT

The findings of the Talukdar Committee are as follows :

“The major oil companies and their associates producing the crude are owned by the same principal/principals and their operations are integrated vertically from extraction of crude to its disposal to the ultimate consumers in the form of products and the profit of the marketing operation should not be viewed in isolation. It will not, therefore, be appropriate to compare their operations with the other industries operating in this country, unless their overall profitability right from production of crude to the marketing of refined products is known. As already mentioned earlier one of the main objects of investment of these companies in India is to provide an assured outlet for the crudes and products of their group.

“The profits earned by these companies and their principals outside India are not known to us. The profits on crude are reported to be high. . . . In case the companies had prevailed on their suppliers to concede discounts on products at the recommended rates (which they did according to published reports on imports to Pakistan), their profitability would have been more than what is exhibited in the published accounts. The combined profitability of refining and marketing operations would further improve if the fall in the prices of crude oils in the world market were fully reflected in the prices charged for crude oils by their principals.

(Continued on page 9)

Figures published in Report of Working Group on Oil Prices (Talukdar Committee) recommendations which were made effective from 1st February 1966 with certain modifications, give a better picture as follows :

(All figures in laks Rs.)

	BS & BSR		Esso & ESR		Caltex & Coril		BOC(IT) & AOC		IBP‡		Total	
	1962	1963	1962	1963	1962	1963	1962	1963	1962	1963	1962	1963
Share Capital -	2789	3791*	2627†	2688†	905	905	120	120	150	150	6591	7654
Average fixed assets -	2773	2738	1811	1870	1692	1598	163	162	58	62	6497	6430
Average Working Capital -	4314	4498	3653	4145	1592	1541	702	663	103	125	10364	10972
Average Capital employed	7087	7237	5464	6015	3284	3140	865	825	161	187	16861	17404
Profit prior to provision for taxation -	1343	1443	670	578	114	154	181	(—)	50	47	2358	2222
Reserves and Surplus -	1590	1487	1289	1488	567	486	745	705	219	175	4410	4341
% Profit on Capital employed	18.96	19.93	12.26	9.61	3.47	4.90	20.90	§	31.07	26.09	14.00	12.77
Profit prior to taxation -	1435	1494	730	634	173	211	— No change —				2569	2386
% Profit on Capital employed (Average for three year 1955-57 it was 20.85 for B.S. and 17.53 for Stanvac)	20.26	20.65	13.35	10.54	5.28	6.71					15.25	13.71
Actual Crude run in Refinery (tonnes)	31.53	37.6	21.79	24.4	9.52	10.26	4.62	4.7				
Net refinery margin per tonne of crude Rs.	30.88	29.64	19.95	19.18	17.27	16.51	61.4	32.18				

- * Share capital was raised from 10 million pounds sterling to 25 million pound sterling on 31st May 1963.
- ‡ Trading results for this Company not only in India but also Pakistan and Burma in 1962 and Pakistan in 1963 because there was no trading in Burma in 1963. No separate figures for India are available.
- † Share capital of Refining Company is 300 lakhs and the balance represents "Accounts with New York Office" because the marketing Co. is a branch of the parent American Company.
- § Effective 1st January 1964 a new integration took place between the two companies both of which being owned by BOC. The profit in 1961 was 358 lakhs giving a return of 4.5 and sales in 1963 were 23% more in 1963 as compared to 1961. Oil India Ltd. pricing for crude supplied to AOC refinery is said to have upset its economy. Considering the factor in @ above the percentage would be better.
- % This is arrived at on the basis of Product realization per tonne of crude on import parity — less OPEC discount less cost of crude less operational expenses including depreciation.

(Continued from page 6)

“The Companies may examine the possibility of effecting economy in the cost of their operations. A few points have struck us in this connection. As on 1-1-1965 there were nearly 70 persons in the three major private oil companies drawing emoluments exceeding Rs. 5,000 per month. In spite of the recommendation of the Oil Price Enquiry Committee of July 1961 to reduce (and eventually eliminate altogether) the overseas expenses of the Head Offices, no attempt has been made in that direction. On the other hand, there has been some increase in this item.... The total amounts paid in dollar/sterling by the different companies over the last five years are :

(Rs. in lakhs)

Year	Esso	B/Shell	AOC	BOC(IT)	Total
1960	37.80	38.70	33.39	4.60	114.49
1961	36.90	43.83	33.39	4.46	118.58
1962	33.30	38.30	14.69	6.68	92.97
1963	37.60	36.59	14.69	3.34	92.32
1964	41.00	43.64	17.36	5.34	107.34

PUBLIC SECTOR & PUBLIC-CUM-PRIVATE SECTOR

Investments

Indian Oil Corporation Ltd. — Rs. 75 crores authorised share capital — Rs. 44.26 crores paid-up capital.

—Marketing Division — Including budget estimate for 1965-66, equity is Rs. 9.97 crores and loan Rs. 9.97 crores. (Indian Oil Blending Ltd., Bombay and Calcutta — joint venture of IOC and Mobil Petroleum Co. of U.S.A. for blending Mobil lubricants sold by IOC).

—Refineries Division & Pipelines Division — including budget estimate for 1965-66 equity is Rs. 37.65 crores and loan Rs. 41.15 crores.

For Gauhati Refinery Rs. 17.7 crores.

„ Barauni Refinery Rs. 43.62 crores.

„ Gauhati-Siliguri Pipeline — Rs. 7 crores (project cost).

„ Haldia-Barauni, Kanpur Pipeline — Rs. 26.05 crores (project cost).

„ Gujarat (Koyali) Refinery — including budget estimates for 1965-66 equity 7.67 crores and loan 4.18 crores.

„ Investment in Cochin Refineries (52.4% participation) Rs. 3.67 crores, estimated cost Rs. 19.04 crores.

Oil India Ltd. (OIL) — authorised share capital Rs. 50 crores (50%) and paid up capital Rs. 14 crores.

—total cost of project-Oilfield development Rs. 28 crores.

Nahorkatiya to Barauni Pipeline project cost Rs. 45 crores.

Oil and Natural Gas Commission including Gujarat Pipelines and Petro-Chemical complex.

First Plan .. Rs. 0.007 crores.

Second Plan .. Rs. 23.85 „

Allocation for Third Plan .. Rs. 115.00 „

Third Plan revised .. Rs. 202.00 „

Again revised because wells to be drilled reduced to 480 as against earlier target of 611 .. Rs. 115.00 „

Indian Engineers Ltd. (51% share and 49% Betchel).

—authorised capital Rs. 2 crores.

Lube India Private Ltd. (50:50 partnership with Esso):

—authorised capital Rs. 3.5 crores.

—project cost estimated Rs. 7.2 crores.

—Lubricating oil base stock refinery at Bombay with a capacity of 145,000 tonnes per year to manufacture 55% high grade automotive base oil and 45% medium grade industrial type base oil out of feed stock to be supplied by Esso Refinery.

—Half production for Esso Lube blending plants in Bombay and Calcutta and half for IOC.

Profits :

IOC's profit for 1964-65 was Rs. 75.64 lakhs after paying taxes and interest on loans though it would have been Rs. 179.76 lakhs but for under-recovery of railway freight and non-recovery of central sales tax from customers and severe price cutting which it had to face from the foreign companies, particularly of kerosene oil.

DRILLING

Total number of wells drilled so far in India State-wise.		Total oil producing wells as on 31-12-1965	Total Gas wells 31-12-1965
Gujerat	335	197	12 & all oil wells
Assam	1330	555	17 & all oil wells
Punjab	5	—	—
U.P.	3	—	—
Bihar	2	—	—
Rajasthan	2	—	—
Union territory of Pondicherry	—	—	—

ONGC and OIL drilled 376 oil producing wells
 ONGC drilled 34 gas wells and OIL 9
 Total oil production in all areas in 1965 was 2.86 million tonnes.
 Total gas production in all areas in 1965 was 137 m. cu. metres.

DISTRIBUTION FACILITIES

	1 9 5 9					1 9 6 3					BOC(IT) & AOC
	B.S.	Esso	CTX	IBP	BOC	B.S.	Esso	CTX	IOC	IBP	
	AOC										
Main installations/ Terminals	7	6	6	2	2	8	13	6	7	2	2
Depots	502	126	85	48	5	146	330	117	103	41	5
Aerodrome Instal- lations/Aviation Serv. Stations	48	21	—	6	41	37	6	—	—	—	6
Filling stations/ Retail pump outlets	3554	1625	1196	258	99	3359	1645	1178	795*	336	99
Branches/ Terri- tories	40	4	4	2	—	4	4	4	4	2	—

* in 1965, 1353

PRODUCTION AND CONSUMPTION

The indigenous production of crude during 1965 was about 3 million tonnes as against 12 million tonnes of petroleum products

consumed in 1965. 6 million tonnes of crude were imported by the three private sector coastal refineries, Burmah-Shell, Esso and Caltex. Another 3 million tons had to be imported by way of deficit fuels and lubricating oils, etc.

The total consumption is estimated to go up to 25 million tonnes by end of Fourth Plan in 1970 and there is a decision to increase the refining capacity in the country to 25.80 million tonnes a year by then because the demand would require a refining capacity of at least 24 million tonnes. Refinery capacities existing and planned are as under :

Location	Refinery	Unit M. Tons.	
		As of 1965-66	Planned 1970-71
Bombay	BSR	3.75	4.75 (?)
"	Esso	2.50	3.50 (?)
Vizag.	Caltex	1.05	1.55 (?)
Digboi	AOC	0.46	0.46
Barauni	IRL/IOC	2.00	3.00
Koyali	—do—	2.00	3.00
Nunmati	—do—	0.74	1.00
Cochin	Public-cum-Private	1.50(?)	3.50
Madras	(projected)	—	2.50
Haldia	—do—	—	2.50
North West India	—do—	—	3.50

As per the Talukdar Committee Report total production of 8.43 million tonnes of products in India in 1964 was made up of 34 different products, 9 of which were above 100,000 tonnes each and 8 below 1,000 tonnes each.

The Monopolies Commission Inquiry Report gives the following 1964 figures of absolute levels and percentage share of Top Five Enterprises in Annual Production in 1964:

Actual crude run in the various refineries in 1963 was:

B.S. Refinery	-	3.750 tonnes
Esso Refinery	-	2.404 "
Caltex Refinery	-	1.026 "
Gauhati Refinery	-	0.047 "
AOC Refinery	-	0.544 "
		8.204 "

Crude Oil produced during 1964 was about 25% of the total requirements and refined products manufactured in local refineries about 74% of the total consumption.

Product	Unit	Total	B.S. Ref.		Esso Ref.		CTX Ref.		A.O.C. Ref.		Gauhati Ref.		Barauni Ref.	
			Quantity	% to Total	Quantity	% to Total	Quantity	% to Total	Quantity	% to Total	Quantity	% to Total	Quantity	% to Total
SPECIALITIES:														
Wax (Paraffin)	Tonnes	34266								34266	100			
Anti-Malarial Oil	„	359								359	100			
Jute Batching Oil	„	79986	58955	73.7	20981	26.2				50	0.1			
Petroleum Coke	„	57661								12905	22.4	40271	69.8	4485 7.8
LUBRICANTS	„	40628								40628	100			
BITUMEN (Asphalt)	„	494.7	334.4	67.6	145.7	29.4				14.7	3.0			
BANK REFINED OILS:														
Furnace Oil	000 „	2250.3	833.3	37.0	905.9	40.2	340.9	15.1		89.7	4.0	80.6	3.7	
Kerosene Oil	000 „	1614.4	819.3	50.7	396.5	24.6	194.5	12.0		105.0	6.5			89.2 5.5
Motor Spirit	000 „	1349.2	628.2	46.5	272.7	20.2	177.9	13.2		82.3	6.1	157.8	11.7	
Diesel Oil	000 „	2046.1	850.2	41.5	479.6	23.4	281.4	13.8		94.4	4.6	288.3	14.1	
OTHER PETROLEUM PRODUCTS														
	000 „	460.9	38.2	8.3	381.3	82.7	14.9	3.2		171.4	3.8	9.1	2.0	

OIL AND FOREIGN EXCHANGE

For importing nearly 3 million tonnes of deficit products which include lube oils, greases and other special products, the major part being bulk products now produced in the refineries, such as kerosene, High Speed Diesel Oil and Furnace Oil besides Aviation Gasoline, Aviation Turbine Fuel, etc. which are not produced in the country now, foreign exchange incurred amount to about Rs. 50 crores of which till 1964 sterling/dollar source was about 80%.

In 1964 the foreign exchange spent on the import of crude oil and refined products was about Rs. 96 crores. The import of over 7 million tonnes of crude and certain products by the companies would still impose heavy burden of nearly 60 crores in "free" foreign exchange.

Exports of surplus production in Motor Spirit was .21 million tonnes in 1962 valued Rs. 2.95 crores, .36 million tonnes in 1963 valued Rs. 4.82 crores and .306 million tonnes in 1964 valued at Rs. 3.62 crores. In 1964, 57,753 tonnes naphtha were exported valued Rs. 3.79 lakh.

PRICES AND PROBLEMS OF PRICE FIXATION

Petroleum products are ultimately consumed in small measures like a bottle of kerosene oil, a litre of Motor Spirit and in tonnes of Furnace Oil, etc. The companies are integrated from exploration to all other phases right up to consumer selling either direct or through its dealers and agents. Hence, the problem has a special significance in this industry.

The situation prevailing at the time of Damle Committee (1961) was as follows. Though petroleum and petroleum products come within the definition of "essential commodity" under the Essential Commodities Act, 1955 their prices were not statutorily controlled. The oil companies were, in the past, fixing the prices after consultation with the Government, on the basis of an agreement known as Valued Stock Account procedure entered into by Burmah-Shell with the Government. This agreement did not provide for audit by Government and the Committee were unable to judge the propriety or otherwise of the quantum of various post c.i.f. charges included in V.S.A. on account of the absence of material for this purpose.

In August 1957, Government decided that the then existing pricing procedure including the V.S.A. Agreement should be revised and the marketing companies were informed in May 1958 that the Government considered it necessary to examine the quantum and propriety of all charges (from f.o.b point through c.i.f. to company's selling point).

Accordingly, the Chief Cost Accounts Officer, Ministry of Finance, carried out an examination. He ascertained against great difficulties that Burmah-Shell had earned a gross surplus of 25.43 crores rupees during the three years 1955-57, Stanvac Rs. 21.26 crores during 7 years 1951-57 and Caltex Rs. 10.71 crores during 7 years 1951-57. Already then, the companies were showing a downward trend in profits and the percentage to capital employed was going down due to the latter shown out of proportion to the increase in turnover. Even then, he recommended that, after providing 10% return on capital employed, the oil companies should surrender Rs. 19.53 crores per year for the years 1958-59 and 1959-60 out of the exorbitant prices being charged for the petroleum products they were selling. The Chief Cost Accounts Officer's efforts were eventually watered down through the power oil lobby in the then Parliament and the pressure of the monopoly press. On a purely ad hoc basis, Government accepted the ad hoc reductions in prices Burmah-Shell had proposed. The ad hoc reductions in prices were mopped up by Government through the imposition of addition (non-recoverable excise and customs) duties payable by the companies with effect from 20th May, 1958. The selling prices chargeable to the consumers remained unchanged.

The ad hoc price agreement remained upto August 1961 subject to adjustment on account of c. and f.

The Damle Committee which faced similar difficulties as the Chief Cost Accounts Officer particularly in respect of ascertaining the real and correct price of crude oil consumed by the companies fixed basic ceiling selling prices which the companies finally accepted. The new basis fixed for the period September 1961 to March 1965 called upon the companies to reimburse by additional excise and customs duties of Rs. 13.78 crores per year inclusive of the ad hoc reductions the companies had agreed to earlier.

The Talukdar Committee which was appointed in May 1964 submitted its report in August 1965 and its recommendations with substantial modifications were brought into force from 1st

February, 1966. The following discussion on the pricing question is from the Talukdar Committee Report.

“The price of a product depends not only on the cost of production but also on other considerations such as market conditions, demand and competition of substitutes and alternative energy producing materials and, as a result, a price relation among the principal products is evolved, the pattern of which is similar, with some variations, in different countries and at the big export centres. Thus, there is largely an international price pattern in the petroleum industry. As India has to depend on large imports of crude oil it is difficult for her to evolve a wholly different price structure. Import prices on the world basis, particularly those in the Persian Gulf which are lower for most of the common products than elsewhere, will be economical to the consumer and will also serve to maintain a salutary check on the efficiency of the domestic refineries.

“From the estimate of production and demand in the country received from the Ministry it appears that import of some deficit products of the order of one million tonnes will still be necessary in 1970. Therefore, the prices of the imported products will have to be taken into account in fixing prices in the petroleum industry. Import prices have acquired importance for another reason. In the agreements between the Government of India and the Oil companies under which the three coastal refineries have been established, the oil companies have been given an assurance that they will be permitted to establish the prices of the products ex-refinery from time to time at any level not higher than the landed cost of comparable products on import. (A phantom which neither the Chief Cost Accounts Officer nor Damle Committee could smash up). There is a further assurance that if any other refinery producing similar products from imported crude oil is granted terms generally more favourable than those granted to these refineries, such terms will be made applicable to them also. One consequence of this assurance is that import parity will have to be observed as the basis for pricing the products of the new coastal refineries such as Cochin, Madras and Haldia, which will be run with imported crude oil; if higher prices than the import parity prices are fixed for the new refineries such prices will also apply to the products of the existing coastal refineries which will thus get an unwarranted increase in prices. . . . Each port is treated as a pricing point and an economic area of distribution is established on the basis of transport facilities upto a line of equal cost with the neighbouring area. Assam has been, on account of its remoteness and

transport difficulties, treated as a separate supply area for the AOC refinery at Digboi as most of its products are consumed there. The import parity price at Calcutta, has, however, been transplanted at Digboi/Tinsukhia for pricing of Digboi products; this has also been done in the case of Gauhati and Barauni refineries.

“In any system of pricing based on cost of individual refineries, the cost of the same products will vary from refinery to refinery depending on crude cost, operating cost, size of refinery, capital investment etc. and it will not be possible to evolve uniform PRICES UNLESS THERE IS A POOLING OF PRICES BY A CENTRALIZED AGENCY. The procedure adopted in determining marketing and distribution charges on a uniform basis for the marketing companies cannot be applied to refineries mainly due to their varying pattern of production and different types of crude processed etc.

“Refining margin which is a concept used in refinery economics, is the difference between the cost of a barrel of crude oil input and the receipts from its refined products. After deducting the cost of refining from the gross refinery margin, the income from refining is obtained, which is a measure of its profitability.

“The three private sector coastal refineries do not, however, retain the refining margins as calculated on this basis. Burmah-Shell and Caltex refineries do not buy the crude or own the products. They are paid a processing fee after adjustments of debits relating to the cost of movement of products by land and/or sea to the main installations outside their port of location and also other sundry charges, real or notional. Esso refinery which buys the crude at a discount and sells the products without OPEC discounts to the marketing company, has to bear similar charges. As the refining and marketing companies are owned by the same principals, the operations should be looked upon as integrated, to get a true picture of the working results.

“Taking everything into consideration it is felt that, for the present no departure should be made from pricing based on import parity at the port of Calcutta in the case of AOC Digboi, Gauhati and Barauni refineries and the Haldia refinery when it comes on stream. . . . The import parity basis appears to be the most practical method for pricing of products of coastal as well as inland refineries in the present circumstances.”

Having arrived at such a basis, the Talukdar Committee also left unsolved a number of problems on pricing such as :

1. Crude Oil supplied to B.S.R. and ESRC by ONGC from Ankleswar oilfield (.327 million tonnes in 1962, .658 in 1963 and .757 in 1964) worked out to about Rs. 84 per ton as on December 15, 1961 which included Rs. 25 per tonne railway freight and delivery charges upto the refinery. From the statement of cost of ONGC the present price does not cover this cost. . . . ONGC has little hope of its prices being comparable to the price of the imported crude (Rs. 72 BSR and Rs. 68 Esso as assessed by Talukdar Committee on basis of less OPEC discounts on Middle East FOB price which itself is a rigged price). ONGC's cost is inclusive of expenditure for survey and exploration work of the Commission in the other parts of India worked into the capital cost of Ankleswar fields for the purposes of amortization. . . . It appears that an investigation into the cost structure of this crude should be undertaken by a competent Cost Accountant.

2. On Crude supplied by Oil India Ltd., AOC, its subsidiary paid the full price (Rs. 84 in 1961, Rs. 114.60 in 1962, Rs. 148 in 1963 and Rs. 138 in 1964) as against provisional price of Rs. 71 to Rs. 72. Public sector refineries Nunmati and Barauni paid the prices at the landed cost of a similar crude at Calcutta i.e. Rs. 74 to Rs. 75 and the balance was by Government of India as subsidy to OIL. If the offtake had reached the volume which the company had anticipated (i.e. 3 million tonnes in 1964 instead of 1.4 million tonnes actually sold) the price according to the company would have been for the first year below Rs. 75 per tonne exclusive of Assam Sales Tax of Rs. 11.85 per tonne. The company had to borrow Rs. 13 crores, the interest thereon plus certain changes in the incidence of company taxation pushed up the price. The company anticipates that the price may be about Rs. 80 (exclusive of sales tax) or slightly below from 1968. . . It appears that an investigation into the cause of the high crude prices is necessary in order to safeguard the position of the future.

3. AOC produces 1/3rd of its requirements and 2/3rd is purchased from OIL. Rs. 78 per tonne was indicated as the price of AOC's own crude including charges towards exploration, development, amortization, interest and cost of delivery at Digboi. The amount was high . . . compares well with cost of imported crudes. As regards the high cost of OIL crude, AOC can usefully take up this matter with OIL of which its principal is 50% owner . . . one practical way is to give some concession to AOC on the price of OIL crude. Government may take up with BOC the question how this can be done.

4. As from 1-4-1965 B.M.C. introduced octroi at the rate of one paisa (since reduced to 0.25 paisa) per litre on crude oil processed by B.S.R. and Esso. This levy will result in extra annual burden of the order Re. 1 and 0.725 crore respectively. Such Octroi increases the cost of the crude. . . . The cost of the crude cannot therefore be reflected in the ex-refinery prices. Similarly the sales tax on crude levied by Assam, Bihar and Gujarat Governments are not reflected in the pattern of price evolved.

5. AOC's under recovery in respect of freight on account of Lubricants, Greases and Specialities. . . which also falls on IOC.

6. Central Sales Tax payable on inter-company transfers payable to Assam Government affecting both AOC and IOC.

7. Process margin guaranteed under the Agreement for the Cochin Refinery is higher than the calculated margins of the three existing refineries. The price of crude oil reported to have been negotiated by Phillips for the Cochin refinery appears to be considerably higher than the price for the same crude offered to the Ministry.

Thus, leaving a few vital problems unresolved and without going thoroughly on the capital structure viz. capital employed it provided at 1/5th of estimated turnover and recommended a total reduction in charges amounting Rs. 3.13 crores per annum compared to OPEC (i.e. Damle Committee) levels.

The Government has sought to resolve the tangle in three ways, which they have brought into force from 1st February, 1966. These changes as explained in OIL COMMENTARY are as follows :

A. Indigenous crude prices have been raised by relating them to the full, that is, UNDISCOUNTED posted price for analogous crude in the Middle East. (It goes without saying that the foreign exchange allocation for crude import would continue to be on "discounted posted price plus" basis).

B. To keep the imported crude based refineries' per-ton crude cost on a level with that of the refineries based on indigenous crudes, a protective duty at 20% ad valorem has been levied on the imported crude.

C. Taking into account the high cost of crude for all the refiners, the ex-refinery products prices have been raised by linking

them with the full, that is, undiscounted f.o.b. postings at Abadan as on May 18, 1965.

D. In the absence of new imposts by the Finance Minister, the price charged to the consumer would remain intact due to the self-adjusting mechanism of a basic selling ceiling price.

It is clear that the Government would follow a policy of fixing a rate of duty, approximately equal to the discounts available on the full "posted" prices of imported crude so that the crude cost for all refiners would be about the same (whatever little difference there would be in the price would be due to adjustment for gravity difference).

It would now be possible for the ONGC to get from the Gujarat Refinery, if only on the basis of "the landed cost at Bombay" a substantially higher delivered price which the Refinery would not grudge either, because the ex-refinery products prices too have been raised.

OIL has already been getting a yet higher price under the terms of the agreement; therefore, its prices will not be affected by the resolution.

Since the ex-refinery prices of bulk refined products IN THE CASES OF ALL REFINERIES IN THE COUNTRY would now be fixed on the basis of import parity, based not on the discounted but full f.o.b. postings at Abadan as on May 18, the refineries would be able to offset most of their loss due to higher crude cost by their gains in products prices. May be, on the whole, their profitability will be only slightly decreased.

To come back to the question of refiner's margin... That this margin is slim in India is an unsubstantiated allegation... Nobody disputes that the integrated companies are interested in collecting high profits at the crude producing end, at the cost of profits in the downstream operations... the profits on refining in India are higher than in most other countries... Incidentally, the decision of the Government to reimburse to Burmah-Shell and Esso refineries nearly Rs. 2 crores per year would improve their profitability. This expenditure was on account of payment by them of B.M.C. Octroi on crude...

The OIL COMMENTARY simultaneously recognises that a few problems as follows are going to be future headaches:

1. Since the refiner's margin of \$1.30 for the next five years has been guaranteed in the agreement with Phillips, it has been

assumed that for quite some time the Government would have to give a subsidy to the Cochin refinery to honour the commitment. Would not the new pricing formula require a larger subsidy to this refinery?

2. The Talukdar Committee had reported that OIL "anticipates that the price (of crude) would be about Rs. 80 (exclusive of sales tax) or slightly below, from 1968". In the context of the new pricing resolution, will there be incentive for OIL to bring the crude price down to Rs. 80/- or below?

3. Since the new pricing formula can be STRETCHED to interpret that the Govt. of India itself does not recognise the ex-refinery prices, even of the deficit products, will not the sources on which we depend for our imports, find in it a reason to ask for higher prices, when the supplies are negotiated next time?

It is a moot point that the posted price is only an artificial price, pegged at a certain level for reasons of revenues of the Government of the producing country and has no relation to economics. There is therefore no fundamental reason for relating the price of our indigenous crude of products to the posted price in the Middle East. Any revision of this Middle East posted price will cause embarrassment to India, although it must be admitted that the odds against an upward or a downward revision of this price are quite heavy.

The OIL COMMENTARY concluded: Whatever the formula aimed at meeting the various requirements detailed at the outset, it cannot be a foolproof one. The formula that gives the balance of advantage and not only for the immediate period, will best subserve the country's interest.

Import Substitution

The need for import substitution in order to save the scarce foreign exchange resources and to reduce the extent of reliance on foreign sector, has a special significance in the industry. The first aspect of the question is hard "free" currency foreign exchange which is an acute problem for the country and the second is blocked rupees in trade with socialist countries which however is beneficial to the country's economy because equivalent value production in the country has to be imported by those countries, thus giving an impetus to production in our country.

The situation is that it cost Rs. 41 crores free foreign exchange for the import of 6.89 million tons crude oil in 1965 and

it had cost Rs. 41.88 crores in 1964 for 6.80 millions. On account of the failure of the foreign oil companies to obtain the discounts estimated by Damle Committee, the country lost revenue and also foreign exchange to the extent of Rs. 2.10 crores in 1962 and 1.65 in 1963. The Minister for Petroleum and Chemicals stated at the recent meeting of Oil Advisory Committee that unless the country became self-sufficient in crude oil, foreign exchange expenditure on imports would increase from Rs. 40 crores a year to Rs. 75 crores a year.

Moreover, the consumption of naphtha, which was only 32,000 tonnes in 1964 and was estimated to increase to 80,000 tonnes in 1965, is likely to rise steeply to 1,625,000 tonnes in 1968, 2,625,000 tonnes in 1969 and 3,040,000 tonnes in 1971 as the fertilizer and petrochemicals programmes get under way. However, Indian refineries will produce more naphtha than is likely to be needed for all kinds of uses that may arise, including petrochemicals and fertilizers, upto 1969. Steps to encourage substitution of fuel oil which is in short supply by naphtha as one of the industrial fuels, is one way out and dismiss the World Bank proposal or demand that liquid fuel be imported for use in the manufacture of fertilisers in India.

Thus, the problem of import substitution is the problem of making India self-sufficient in crude oil requirements which even the Minister admits and confirms that only then India can pursue a realistic and independent pricing policy.

The question, however, is that the more refineries are established the more oil must be found in the country, otherwise, we would be landing ourselves in the same difficulty that we now have with Phillips and OIL in the matter of crude prices.

Prospecting, exploration and production of oil has to keep pace with the rising demand in this country and establishment of refineries must follow that development as we have done in the case of Gujerat and Assam oilfields and the establishment of the three public sector refineries, Nunmati, Barauni and Koyali. Off-shore drilling in the Cambay Gulf area and further prospecting for such first-rate crude as we now obtain in Ankleswar area is of highest national importance.

The experience of a number of countries which have allowed foreign capital to tackle geological prospecting on their territories, as is our own experience with the notorious Indo-Stanvac project, shows that the monopolies are not in a hurry to discover oil deposits there. The latter prefer on receiving licences for conduct-

ing prospecting work, to limit their activities to gradually collecting information on the potential possibilities of the areas surveyed. And that is not accidental either. By such practices, the participants in the international oil cartel strive to retard the relative over-production of liquid fuel in the capitalist world and to keep the oil prices soaring.

Soviet Union allocated about Rs. 85 crores for the purpose of establishing and further developing India's oil industry which makes up 25% of the total sum of all Soviet credits to India till October 1964. It is the recommendations of Soviet specialists who did initial surveying and prospecting, which prepared a basis for drafting the first five year plan for oil 1956-57 — 1960-61. They trained Indian oilmen. In 1960-61 ONGC had 4600 geologists, geophysicists, drillers and other specialists.

Third Five Year Plan target was to raise the proved commercial reserves to 120 million tons so as to increase oil extraction by the public sector to 3 to 3½ m. tons a year by the end of the Plan and to complete the drilling of 332 producing wells in Gujarat, Assam etc. Preliminary survey of proved reserves as of Oct. 1964 in Ankleswar area was 48 million tons which permits extracting average 2.3 million tons annually. Including the output of Rudrasagar (Assam) total of 6½ million tons of oil by end of Third Plan was provided for, 50% by public sector and 50% by mixed public-cum-private sector i.e. OIL. Thus, a 12 to 15 fold increase in the country's output was planned though it would only mean 45% of demand. The results achieved should spur us to greater efforts in investment and exploration by ONGC. However, the situation is though the official declaration is for achieving a production of 11.5 million tonnes a year the programme for ONGC is woefully short of sinews needed for practical implementation. For the current financial year it will only be Rs. 21 crores earned by the commission for the sale of crude to public and private sector refineries and the balance Rs. 12 crores to be invested, making a total of Rs. 33 crores, a fleabite compared to the real needs. The only explanation is the sliding back on the basic policy and the craze for wooing foreign i.e. American participation about to be concluded for off-shore drilling in Cambay. In point of fact the Planning Commission had originally allotted Rs. 37 crores, of which Rs. 9 crores would have to be spent in importing various equipment, mostly on a rupee-payment basis. It was necessary to establish additional proved and recoverable reserves of 130 million tonnes for which 871 wells will have to be drilled and the modest budget of only Rs. 185 crores were provided for the Fourth Plan.

What is necessary to grasp is that oil profits even at the distribution end take care of the element of cost of exploration, production and refining of the oil finally distributed. This was brought to the notice of parliament in the case of AOC profits in 1953, in the case of discussion with Burmah Shell by Chief Cost Accounts Officer while arriving at a reasonable return on capital employed and by a foreign oil company spokesman in his talk to a National Defence College group in 1964. He stressed that 94.2% of fresh capital requirements came from internal sources, expenditure on exploration and production being 48% of capital expenditure. He himself stressed that in terms of the foreign exchange problem the priorities in Indian oil industry would be to carry extensive search for crude oil over India's 400,000 square miles of sedimentary basin and he did not hesitate to point out that ONGC spent Rs. 147 crores only out of the total Third Plan outlay of Rs. 202 crores. Central Excise Revenue from Petroleum Products runs now into more than Rs. 200 crores per year (it was Rs. 197 crores in 1963-64, being 27% of the total Rs. 730 crores). Therefore, lack of internal resources cannot be pleaded for the unwillingness to promote enough funds for oil exploration.

Libya is now seventh among oil producing countries outside the Soviet Union. There was uncertainty for five years when a total expenditure of more than 35 million dollars had been incurred. The position now is that from an initial production in 1961 of 18,000 barrels per day Esso Libya is now producing 875,000 barrels average per day.

OIL WORKERS AND THEIR STRUGGLES

Since public sector is of comparatively recent origin in the industry, oil workers were and still continue to be best organised in the private sector. Marketing and Distribution workers have built up capable trade unions in all the regions throughout India, with their central offices in Bombay, Calcutta, New Delhi and Madras. 12 such unions also organised themselves into All India Petroleum Workers' Federation (AIPWF) in 1953. The only union affiliated to All India Trade Union Congress at that time was Petroleum Workmen's Union of Bombay. Three INTUC unions — one each in Calcutta and Madras and a defunct one in Bombay — as well as AOC Labour Union of Digboi — a composite union for prospecting, drilling, refining and marketing workers of AOC — remained outside the AIPWF.

When the three foreign refineries came on stream in 1954/7 — 2 in Bombay and 1 in Vizag — separate unions were organised

for each refinery. Later, one of the refinery unions in B.S. Refinery merged in Petroleum Workmen's Union of Bombay.

INTUC organised rival National Federation of Petroleum Workers (NFPW) in 1958 with ruling party and Government patronage. When AOC company split into OIL, an INTUC union was pushed in among those workers. Gujarat Oilfield workers have had a chequered career. Same is the case with Gauhati and Barauni refinery workers. IOC marketing wing has got organised and Koyali Refinery workers are being organised.

Taking the industry as a whole as it has grown to what it is today, both private and public, trade union organisation is still weak particularly in public sector and is mainly split between AITUC and INTUC in private sector.

The oil companies themselves were equally keen on weakening the militant unions which were generally under the influence of All India Trade Union Congress. Besides, at its second annual conference in 1960, the AIPWF, taking upon itself the task of supporting and popularising the national objective of establishing public sector in this industry as a dominating factor campaigned for the nationalisation of the distribution wing of the industry monopolised by the four foreign companies because of the feasibility of finding adequate financial resources for exploring for oil out of the huge profits and surpluses the companies were making. The understanding of the AIPWF was subsequently corroborated by the findings of the Chief Cost Accounts Officer, Ministry of Finance in the report published in March 1959.

One of the initial major political offensives of the rival NFPW against AIPWF was to campaign in 1960 for the co-existence of private and public sectors, i.e. against nationalisation, and that platform still remains unchanged with all the remifications.

The militant unity of AIPWF was further strengthened by the amalgamation of small company-wise organised unions into industrywise regional unions and the affiliation of more of them to All India Trade Union Congress. Thus, today AITUC has four regional industrial unions affiliated to it out of 8 affiliated unions of the AIPWF. Even before that, Government of India, after ascertaining the organised membership, accepted the representative character of AITUC in this industry and thereby two of its nominees attended the ILO Petroleum Committee meeting in Geneva in 1960.

The AIPWF also established fraternal relations with the Trade Unions International of Oil, Chemical and Allied Workers (Trade Department of WFTU) in 1958 and Petroleum Workmen's Union, Bombay already affiliated to the International in December 1955 when its General Secretary was elected to its Administrative Committee and this representation continues till today. An official delegation of the AIPWF had participated in the Third World Conference of the International held in Leipzig in 1959 and also visited Soviet Union in response to the invitation from the Oil and Chemical Workers Union with which it signed a Declaration of Solidarity and exchange of fraternal delegations. In response to a second invitation, another delegation had visited Soviet Union's oil fields and refineries in 1962.

Improvement of Living Standard

There are various adjudication awards still in force and the effective fight put up before Tribunals by all unions have raised the wages and bonus, among other many benefits, of oil workers to a pre-eminent position. But, long term settlements were first attempted in 1955 for three year periods. They were renewed in 1958, again on a regional basis, the attempt at achieving a settlement on a national scale having been frustrated due to intensive rivalry of INTUC Unions particularly in Bombay. The fact that the Government of India was obliged to convene a national tri-partite conference to resolve the many disputes in the regions, did not make a material change.

The renewal of collective agreements in 1962-63 aimed principally at safeguarding the hard-won bonus rights in the new background of control on profit-making at the instance of Damle Committee Report which the Government in 1962, took place in conditions of intense rivalry of INTUC unions particularly in Bombay. The rivalry took one step ahead when the State Government at the instance of the minority rival union ordered an adjudication, the result of which ultimately turned out to be a fiasco for the rival union.

The recent attempt of the oil companies to deny the bonus already settled in the three year collective agreements, on the plea that the Bonus Act superseded the settlements, was successfully foiled by a powerful country-wide mobilisation by AIPWF in which there was a one day strike in Madras region. The success was also due to the powerful voice of leading Members of Parliament who were mobilised to support the workers' just cause.

Fight against Victimisation and for Trade Union Rights

Every strike struggle and every adjudication struggle was sought to be covered down by a dose of victimisation of union activists by the companies. The last such heroic struggle was fought by the PWU Bombay in 1962 and PWU Delhi in 1963. Recognition of mass militant trade unions by the companies has never given guarantee against victimisation.

Fight for Job Security

The years 1964 and 1965 have been one of intense struggle by the various unions to safeguard the job security of workers and clerks. The erosion was caused by unauthorised measures of rationalisation and mechanisation and the subsequent depletion by so-called early voluntary retirements. Through the effective mobilisation of AIPWF along with the support of Members in Parliament and the joint front put up by the NWFP at the tripartite conferences called by Union Government on October 1, 1965, a tripartite committee was set up in which both the Federations were represented. The report of this Committee by a majority of employees' and Government's representatives, the oil companies' representatives dissenting, was signed on 28th March. But, in view of the very lengthy minute of dissent of the minority, Comments of the majority on the dissenting note were jointly signed only 21st April, 1966 and submitted to Government along with Chairman's forwarding note. The report is favourable to the workers which is the reason why the company representatives opposed it tooth and nail in their minute of dissent. The oil workers are now eagerly looking forward to appropriate action by Government on the recommendations of the majority report.

The Committee's findings as summarised in the report are :
"During 1960-65 the total number employed in the three major oil companies came down by 25.3% — the reduction in Burmah-Shell being 31.5%, in Esso 13.8% and in Caltex 18.2%.

"The Companies did not supply to the committee copies of the studies carried out by them to find the extent of surpluses or where they exist. In the absence of exact details about surpluses and where precisely they have been located the committee finds it difficult to understand how the oil companies would eliminate or even reduce these surpluses.

"In spite of mounting surpluses recruitment does not appear to have ceased in any of these companies and the committee

has not been able to appreciate fully the logic or the consistency of these two processes operating simultaneously.

"In the absence of detailed information regarding the effect of the various measures introduced in labour/clerical processes or the number of employees rendered surplus, or the cost of, or the savings expected from the measures of rationalisation and mechanisation, the committee is unable to appreciate fully the need for these measures or what they achieved.

"In dealing with the surpluses resulting from introduction of measures of rationalisation/mechanisation the companies have not followed the procedure laid down under the Industrial Disputes Act or the tripartite recommendations on rationalisation.

"Their profit position is quite satisfactory and would have improved further had certain measures of economy recommended by the Damle Committee been implemented."

The Committee has recommended that the oil companies should ensure job security to their employees by avoiding re-trenchment/reduction of staff except as provided under law and/or by convention, i.e. I.D. Act and Fifteenth Tri-partite Conference Resolution on rationalisation. The concrete measures recommended by the committee to achieve this objective are, among others :

- to discontinue the existing early voluntary retirement/separation schemes,
- two joint committees — one for labour and clerical and another for managerial/supervisory staff to consider and decide all applications for early retirement, to properly assess the existing surplus before further measures of rationalisation/mechanisation are introduced, to discuss/settle methods of reduction/redeployment of surplus labour, etc.

Petroleum workers are confident that their demand for job security is just and Government, now convinced that the foreign companies have not played fair with them, should whole-heartedly stand by them. Petroleum workers, even while fighting for a better standard of living and job security, will continue to explore all avenues for unity with the INTUC unions and others in the common cause. They will continue to canvass public opinion for the nationalisation of the foreign enterprises in the industry, particularly the distribution wing, because, national interests and the genuine interests of the consumers demand such evolution.

All-India Trade Union Congress

**27th SESSION
Bombay**

INDUSTRY REPORTS

on Jute Industry

By BHOWANI ROY CHOWDHURY

on Heavy Chemicals and Fertilisers

By G. SUNDARAM

on Railways

By P. K. KUMARAN, M. P.

SIXTEENTH—TWENTYSECOND MAY, 1966

Report on Jute Industry

By

BHOWANI ROY CHOWDHARY

Since the last session of AITUC, significant change in regard to production, consumption and export have been marked in our economy and jute as one of the biggest organised industry in our country and the main foreign exchange earner has played a vital role in the development.

With about 75,000 looms in ninety mills, Indian jute industry accounts for 57% of the total world loomage. Of the 90 mills units, 79 are in West Bengal, 3 in Bihar, 3 in U.P., 6 in Andhra including 2 Spinning Mills and 1 in M.P. employing in all approximately 2,50,000 workers.

The table below will show the growth of the industry in the post-independence period in terms of paid-up capital, net worth, and production.

	<i>Paid-up Capital in Rs. lakhs</i>	<i>Net Worth in Rs. lakhs</i>	<i>Production Tons</i>
1946	951.38	1,706.04	10,52,300
1952	1,216.22	2,311.32	9,89,900
1958	1,490.47	2,507.41	11,02,600
1960	1,496.59	2,679.28	11,10,400

In regard to production, the Third Five Year Plan fixed the target of 1.3 million tons. This was exceeded in the very second year (1962-63) of the plan period. Immediately after the industry raised a hue and cry of a 'crisis' and shortage of fibre and actually restricted production, first by sealing looms (in some cases to the extent of 19%) and then a week's block-closure in each of the months of June and July, 1961. The myth of 'crisis' was exposed in the subsequent period by the unprecedented rise

in production — an all-time record in the industry. The following chart of production during the 3rd Five Year Plan period is revealing :

1961-62	..	10.99	Lakh Tons
1962-63	..	13.08	„ „
1963-64	..	13.54	„ „
1964-65	..	13.83	„ „

About 80% of the total production is conventional hessian and sacking. Need for expanding the market necessitated diversification of products, but in this sphere, in spite of tremendous possibilities, conservatism prevailed. The table below shows the trend of diversification :

	<i>(in thousand tons)</i>			
	61-62	62-63	63-64	64-65
Carpet Backing	41.8	68.7	109.7	109.7
Cotton Bagging	69.3	61.1	67.1	66.5
Twine	29.3	28.02	29.3	26.7
Carpet	1.6	2.4	2.2	2.5
Webbing	2.3	3.4	1.9	3.5
Yarn	3.4	2.7	5.3	3.8

The table shows that production other than conventional standard hessian and sacking has remained static since 1963-64. Of the above items, Carpet Backing is exported mainly to USA. The reason of non-availability of market in European countries where it can be extensively used as floor covers etc., cannot be easily explained, perhaps these markets have not been properly explored.

Following are some of the items of diversification :

- (1) Jute yarn reinforced crape-paper.
- (2) Jute Felt/carpet.
- (3) Laminated sheets made from jute and shellac (Drums, Boxes, Tea chests etc. can be made from it).
- (4) Linoleum floor coverings.
- (5) Insulation Brand.
- (6) Rexine.
- (7) Bleached and Dyed Hessian wall cover.

Although diversification of jute products was not taken up seriously, the jute mills took up diversification in different terms, that is, jute mill companies started factories such as Cable, Cement, Pipe, Wire nail etc.

A new experiment has started — Bleaching process will be done in USA with grey fabrics to be supplies from Indian mills as per specification. But that would require a minimum standard which for Indian mills is difficult to attain.

Despite difficulties and various obstacles, the jute industry has improved its position amongst the foreign exchange earning industries. The following chart will show its performance during 3rd plan period:

<i>Year</i>	<i>Amount of foreign exchange earned (in Rs. Crores)</i>		
1961-62	143.25
1962-63	155.66
1963-64	157.43
1964-65	177.00
1965-66	180.00 (approx.)

Despite the above facts, the industry raises a din over competition from Pakistan and substitute packaging material. A new factor has been added to these, *viz.* supply of fibre at a "reasonable" price.

With the economic development of the newly-liberated countries and programmes of industrialisation, in general, world consumption of jute goods has greatly increased and fear of competition, it has been found, was always exaggerated by the industry. The same exaggeration is also true in respect of the threat of substitutes. As a heavy-duty packaging medium jute is supreme. There is no other fibre to match its all-round ability to carry goods safely to journey's end. Further it has re-use value which other packing materials lack.

Regarding higt cost of fibre, unprecedented price rises of food grains as well as successive crop failure for 2 years are largely responsible, much, of course, has been manipulated by the speculators who take full advantage of the situation in the capitalist society.

Raw Jute Production :

As a result of partition, bulk of jute producing areas have fallen in Pakistan and only 14% of the industry's requirements at that time were produced in the portions under Indian Union. But by 1962-63, the country's requirement of jute fibre was satisfied fully.

Year	Fibre production (in lakh bales)			Fibre Consumption by the mills (in lakh bales)
	mesta*	jute	Total	
1961-62	16.9	63.47	80.37	60.24
1962-63	16.84	54.06	70.90	69.55
1963-64	18.59	61.34	79.93	72.04
1964-65	15.76	59.72	75.48	76.40
1965-66	16.00	44.49	60.49	72.00†
	(approx.)	(estim.)		†estimated

* an inferior quality of fibre.

Sharp decrease in the production of jute is not due to drought alone. Due to denial of *economic price to the primary producers* and lack of credit facilities to them at the time of sowing, the acreage under jute cultivation has fallen by about 20%.

Lack of imagination and apathetic attitude towards jute growers have again landed the country in shortage of fibre. The industry since March 1966, has, in the name of controlling consumption of fibre has sealed about 10% of looms which is to continue till August 1966. By this, it hopes to save about 4 lakh bales of raw jute. A further cut in production is also being proposed in the form of a week's block-closure. If the same materialises about 30% of the workers will lose full wages for the period and rest 50% of their wages. To tide over the present situation the industry, on the one hand, has shifted the burden on the workers and has also pleaded for tax credit to the extent of 10% for carpet backing materials and 5% for hessian sacking goods. It may be mentioned here that as a part of the export promotion measure exporters of jute goods since last one year get tax credit certificates to the extent of 2% in all jute goods.

Working Time Agreement

Controlling of production on industry-basis by the Association of jute mill owners is a special feature of the industry and it dates back to February 15, 1886. Except for a decade from 1921-30 when there was no restriction, the industry did never utilise its full capacity with a view to creating and maintaining an artificial shortage in the market to keep the price of jute goods high.

With increasing participation of the Indian capital, monolithic character of the Employers' Association is on the wane. A glaring expression is the abrogation of the 78-year-old working-time agreement on February 1, 1964. It would not be out of place to state that prior to that, mills could run multiple shifts and/or more looms than their registered looms only if they would purchase loom-hours of the closed mills. By this system, the closed mills without any production used to earn a profit.

Condition of Workers

Even after three omnibus tribunals set up for fixing the wages of the jute workers in West Bengal, the minimum wage till 1960 i.e., before the Wage Board was set up, stood at Rs. 67.17 consisting of Rs. 34.67 as basic wage and the rest Rs. 32.50 as fixed D.A. without having the benefit of it being linked with the consumer price index numbers. Unlike other organised industries, 2½ lakh workers of the Jute Industry, the largest organised industry, in West Bengal did not get any bonus until the Wage Board recommended annual fixed bonus for all jute workers although the amount recommended (12 days' basic wage for manual workers and half month's salary for clerks and darwans) is a meagre one, and unrelated to profit. In respect of D.A. too, until the Wage Board recommendations, the jute workers were so long deprived of the benefit of sliding scale dearness allowance.

The Wage Board set up in 1960 which gave its recommendations in 1963, introduced sliding scale D.A. and also Bonus for the first time in the century-old existence of the Jute Industry.

The magnificent united strike action of 2½ lakh jute workers in West Bengal in December 1959 ultimately forced the Government of India to set up Wage Board. The Government of India not only acquiesced but in fact, on the false plea of "crisis" granted loans worth crores of rupees for modernisation and rationalisation in the process of which, during the 'fifties, about a lakh of

jute workers were thrown out of employment, and the gains of rationalisation have accrued entirely to the employers.

The industry keeps in employment a number of 'badli' workers who are in service for years together but are deprived of the benefits of permanency. Fixation of permanent complement was a longstanding demand which the industry stubbornly resisted. The West Bengal Government appointed in the year 1958 a Special (tripartite) Committee on Jute to go through the question. In the absence of unanimity, the Chairman of the Committee recommended an average of three workmen per loom as permanent complement. Although the State Government accepted the Chairman's recommendations and asked the mills to implement the same, the IJMA ignored the advice of the Government. And the Government too failed to get the recommendations implemented. The restiveness of the workers and several work stoppages on the demand of permanency, ultimately forced the IJMA to come to a settlement on this question. And the Wage Board unanimously recommended as follows:

- (i) Not less than 80 per cent of the workers (as on 1-1-63 on the registered loomage) will be permanent workers on roll. All mills should make every possible effort to increase the percentage of permanent workers from 80% to 85% within August 1965.
- (ii) Remaining workers in the complement may be non-permanent to allow for changes in the line of production as also for future rationalisation. They may be known as special *budlis*.
- (iii) Another 10% of workers should be considered as leave vacancy *budlis* and should be employed in strict rotation.
- (iv) In Broad-loom Section (Carpet Backing), the complement should be fixed on the basis of 4.25 workers per broad loom installed.

This unanimous recommendation also has not been implemented in its true spirit.

The Wage Board recommended a minimum wage of Rs. 81 per month (at 425 points — 1939 base) for the unskilled workers with D.A. linked to the cost of living index with half-yearly revision on the basis of 20 paise per point of rise or fall of the average consumer price index numbers during the preceding six months. This is a significant gain the jute workers achieved through their

struggles although it is still inadequate and the neutralisation is not full. Comparative chart of wage movements is as follows :

(minimum emolument)

1st Tribunal	..	..	Rs. 58.50
2nd Tribunal	..	..	„ 63.37
3rd Tribunal	..	..	„ 67.17
Wage Board	..	..	„ 81.00

(at 425 points)

Even the meagre increase that the jute workers gained during the last two decades through successive tribunals was largely offset by frequent reduction of working hours with a view to curtailing production with corresponding reduction in wages. To safeguard the workers' interest on this point, the Wage Board recommended that the dearness allowance should not be reduced whatever may be the number of working hours and the basic wages also should not be reduced if the working hours in a week are not less than 45.

Another significant achievement of the piece-rated workers who were made to suffer for bad yarn, etc. is the acceptance by the Board of the guaranteed minimum (fall back) wages. But this too is generally being denied by the industry.

The Wage Board recommendations have, however, not been implemented uniformly in all States. The management of Sri Krishna and Shri Bajrang Jute Mills in Andhra despite the five-month long strikes did not implement the recommendations and got the issue referred to adjudication and the Tribunal upheld the contention of the employers. Thus was set a precedent in favour of the employers to flout Wage Board's unanimous recommendation.

Bonus Movement

The campaign launched by AITUC for Bonus from the All-India Bonus and D.A. Conference in December 1963 had its effect among jute workers. During the subsequent period, general mobilisation for acceptance of Bonus Commission's majority report led to an active struggle before the Pujas in 1964 (September-October). About a lakh and a half workers boycotted Bonus offered by employers as per Wage Board formula, for a certain period and demanded the same on the basis of Bonus Commission recommendations. One day's token strike on December 1, 1964

was called by all the jute unions including INTUC (though separately) and the industry came to a halt for the day. A meeting of the Industrial Committee on Jute was convened and in spite of the Union Labour Minister's appeal, the minimum bonus of 4% of the annual earnings was refused by the industry. Even after the promulgation of Ordinance and subsequent enactment of the Bonus Act, the jute industry refused to pay bonus for 1963 on the new basis on the plea that the unions had no right to raise any dispute of bonus during the pendency of the Wage Board period. Jute workers led by the AITUC union were preparing for a strike on this issue and actually had served a strike notice. But in the meantime, food agitation entered a new phase in West Bengal, where also jute workers played a significant part, and the strike for Bonus did not materialise. The issue has, further, been referred to adjudication.

For the year 1964-65, two mills have not paid any bonus and among the rest, except two, all others have paid the minimum of 4%, on the plea of inadequate profit or loss. The two mills which paid more than the minimum are Birla Jute Mfg. Co. Ltd. — 9.42% and Gouripur Jute Mills — 9.37%.

Current Problems

Beside the question of bonus, which has since been referred to adjudication, the jute workers are facing loss of employment and underemployment as a result of the sealing of looms and curtailment of production and ultimately the latest move of the Indian Jute Mills Association to close down all mills for one week, in the first instance, on account of alleged shortage of raw jute. The unions irrespective of affiliations, however, contend that the situation in respect of raw jute is not so serious as would call for the justification of block closure of mills. All unions are agitating against this move of the employers.

Along with workers of other industries, the jute workers are also agitating for rectification of the fraudulent consumer price index numbers. Almost immediately after the Wage Board recommendation in respect of linking D.A. with CPI numbers was implemented, the jute workers in Bengal suffered cut in D.A. on account of fall in CPI number. The campaign is still continuing on the demand of setting up of an Expert Committee as has been done in other States.

Other issues such as Night Shift allowance, House Rent etc. which could not be resolved in the Wage Board are seriously agitating the minds of the workmen and at least on the issue of Night Shift allowance, several work stoppages took place.

As is evident from the facts of the last two Bundha in which the jute workers' participation was unique, the situation in the jute belt in West Bengal is boiling over. In other states too, the jute workers are planning for the realisation of their demands and further organising themselves for the struggles ahead.

Report on Heavy Chemicals and Fertilisers

By

G. SUNDARAM

*Member for AITUC on Central Wage Board
for Heavy Chemicals & Fertilisers*

As per Annual Survey of Industries 1963, the industry group Basic Industrial Chemicals including Fertilisers held the eighth place in the share of important industries as percentages of Totals for all Industries as per following figures :

	1959	1963
No. of Factories to Total	1.2	1.6
Productive Capital ..	4.2	6.2
Employment ..	1.3	1.9
Value of Output ..	2.3	3.8
Value added ..	2.6	3.9

In the matter of important structural relationships of major industry groups (16) the position of Basic industrial chemicals including fertilisers was as follows:

1 9 6 3

Productive capital per factory ..	Rs. 151.39 lakhs (second and next only to Iron and Steel)
Employment per factory ..	377 (7th rank)
Output per factory ..	Rs. 105.48 lakhs (second and next to Motor Vehicles manufacture)
Value added per factory ..	Rs. 30.08 lakhs (3rd rank)
Production capital per worker ..	Rs. 39,891 (2nd rank)
Value added per worker ..	Rs. 7,925 (3rd rank)
Ratio of Value added as % of value of output ..	28.5
Ratio of Productive Capital to value added ..	5.03 (3rd rank)
Ratio of Productive Capital to value output ..	1.44 (3rd rank)

Thus, Basic chemical Industries including fertilisers stood third in respect of productive capital, contributing 6.2 to the total contribution in major industries and eighth in respect of value added contributing 3.9 to the total.

The Report of the Monopolies lists various units in Chemicals and Fertilisers which are now monopolies. Some of them are also among the 51 Industrial giants of 1964-65.

Fertilisers :

Third Five Year Plan of Fertilizer production targeted capacity was one million tonnes, a capacity of 586,500 tonnes and 242,000 tonnes (estimated in terms of nitrogen).

Against a capacity of 636,250 tonnes of nitrogen approved for implementation in the private sector only 18,250 tonnes capacity has been established so far.

Such is the state of the woeful failure of the private sector which went about pressurising for a new fertilizer policy involving surrender and sell-out to foreign capital for achieving the Fourth Plan production target of 2 million tons nitrogen fertilisers and 1 million ton phosphatic fertilisers. The new policy for wooing foreign capital which wants "adequate" returns on capital investment in collaboration with private sector has been set in motion. It envisages lifting of controls over prices and distribution on the products of new fertiliser units which are expected to come into the market by 1968 and will operate for 7 years. This also was the demand of World Bank who have been repeatedly advocating decontrol of prices and distribution ostensibly at the instance of American oil and chemical monopolies. The petro-chemical industry will be the next target.

The provocation for the new policy decision seems to be the recommendations of the Sivaraman Committee which came across faulty distribution by Co-operative societies which had to undergo the limitations of lack of marketing experience, inadequate distribution margin, low volume of credit facilities and small turnover as well as inadequate availability of credit to farmers from co-operatives and private traders. Instead of finding ways and means to strengthen the co-operative societies to overcome these limitations, the policy of throwing the farmer to the wolves viz. private distributors, who are going to be now the foreign monopolies, was mooted. The Committee no doubt saw the injustice done to the farmer at the prices charged through the Central Fertiliser Pool which made a profit of Rs. 43.3 crores for revenue account

of the Government though it had suggested that this should be utilized for active promotion programme for fertiliser use. Nobody in the Government has cared to follow up this aspect of the recommendation.

The recommendation of the Committee is that production programme by 1970-71 should aim at :

2.4 million tonnes of nitrogenous fertilisers.

1.0 million tonnes of phosphatic fertilisers.

0.7 million tonnes of potassic fertilisers.

The Committee suggested an additional capacity of one million tons of nitrogenous fertilisers over and above 2.2 million tonnes produced by Ministry of Petroleum & Chemicals, stepping up the production of complex fertilisers and exploring the feasibility of manufacturing phosphatic fertilisers without the use of sulphur and achievement of a better percentage of production in relation to the capacity in the existing factories and others proposed for installation during the Fourth Plan period.

It estimated foreign exchange requirement of 776.5 crores for additional import of fertilisers.

An esteemed correspondent in summing up the recent Seminar on Petro-Chemicals in Ahmedabad, stated: as reported in *Oil Commentary*.

Before the second world war, 90% of the world ammonia production was based on coal. Since then, with the development of technology in this field, there has been considerable switch-over from coal to naphtha as feedstock for the production of synthesis gas. Today more than 70% of the ammonia production in the world is from petroleum sources. It is expected that by 1970 over 90% of the world ammonia production would be based on petroleum feedstocks. The fertiliser industry has now become the biggest petro-chemical industry and processes have been developed so that natural gas or any of the petroleum fractions could be used as raw materials. Natural gas been the best raw material. Its cost is low; moreover, it involves comparatively low investment and operational costs. However, it is limited to areas where natural gas is available in plenty. The difficulty of transportation and the high cost thereof have limited its entry into international trade and, therefore, its use as a raw material in the petro-chemical industries of the world. In Europe where no natural gas is available, naphtha has been the most favourite feedstock because of the surplus naphtha availability resulting from high refining capa-

cities on the one hand and not too high consumption of gasoline on the other. In India also there is likelihood of considerable surplus naphtha. Hence the fertiliser industry in India — except in Assam and Gujarat where some natural gas is available — may have to rely more on naphtha.

The Talukdar Committee report on Oil Prices pointed out that India has achieved surplus production in Motor Spirit and exported 206,008 tonnes (value Rs. 29.54 million) in 1962 and 364,659 tonnes (value Rs. 48.19 million) in 1963, and 306,162 tonnes (value Rs. 38.24 million) in 1964, when 57,753 tonnes of Naphtha valued at Rs. 0.379 million was also exported. The expansion of the existing refineries and commencement of production at the new ones will aggravate the problem of Motor Spirit surplus; the reduction of which has to be planned by production of Naphtha, which is a light distillate above the kerosene range and traditionally the raw material for manufacture of high-grade Aviation and Motor Gasoline. To this end, the growth of industries has to be planned to encourage the use of Naphtha as feed-stock, particularly for manufacture of fertilizers, petro-chemicals, and town gas. On the planned basis, the demand of naphtha may develop from 169,000 tonnes in 1966 to 2,850,000 tonnes in 1970.

On the papers read at the Ahmedabad Seminar reported in *Oil Commentary* Shri Gopinath of *Fact* advocated the establishment of integrated petro-chemical-cum-synthetic ammonia plants. He claimed that ammonia from an integrated plant can have a selling price of Rs. 700 per ton against the present selling price of Rs. 1,200 per ton. Shri D. C. Gami of Gujarat State Fertiliser Corporation claimed that conversion of naphtha to nitrogenous fertilisers would save foreign exchange to the extent of about 10 times the value of naphtha, while its conversion to organic chemicals, plastics, etc. will produce goods worth only 3.7 times the naphtha cost.

But, the conclusion of the seminar is that development of petro-chemical industries in India is beset with considerable difficulties and can be made successful only by careful planning and co-ordination and with the co-operation of both the public and private sectors. The necessity for developing "know-how" indigenously demanded a crash programme in research and development by Government and private industrialists. Similarly, the necessity of having design and engineering organisations as well

as fabrication facilities for specialised equipment was emphasised. Efforts have therefore to be made in these directions without delay so that projects could be managed with minimum foreign exchange. Also, considerable plans must be taken to develop managerial and technical personnel to cope with advancing technology.

The factories in production today have a capacity of 476,500 tonnes of nitrogen per annum. Of this 438,300 tonnes is in public sector and private sector 18,250 tonnes as per following:

<i>Public Sector</i>		<i>Private Sector</i>	
	tonnes		tonnes
Sindri ..	117,000	Ennore ..	8,250
Nangal ..	80,000	Varanasi ..	10,000
Trombay ..	90,000	By-product fertilizers	
Rourkela ..	120,000	from cake oven	
Always ..	30,000	plants ..	20,000
Belagule (Mysore)	1,300		

Projects under implementation are:

	tonnes		tonnes
Neyveli ..	70,000	Visakhapatnam	
FACT exp. ..	40,000	(Dec. 1966)	80,000
Namrup (Oct. 1967)	45,000	Ennore exp.	
Gorakhpur (Apr. '68)	80,000	(Oct. 1967)	8,000
Durgapur (1968-69)	135,000	Gujarat State	
FACT/Cochin		(Aug. 1967)	96,000
(1968-69)	164,000	(49% Shares	
		Gujarat State)	
	<hr/>		<hr/>
	718,000		184,000

Other projects in preliminary stage are 190,000 tonnes in public sector in Madras and 5 (2 in Kota, and one each in Goa, Kothagudam and Kanpur) with a capacity of 576,500 tonnes.

Including others in contemplation total capacity comes to 2.36 million tonnes.

Wage Board

A Cenrtal Wage Board for Heavy Chemicals and Fertilizers was appointed by Government resolution dated 3rd April 1965.

The coverage of the Board is for 38 Fertilizer factories, 84 Heavy Chemical Factories and 40 more Heavy Chemical forming factories with captive units. Com. G. Sundaram, represents AITUC on this Wage Board.

The first meeting of the Board took place in Hyderabad on 22nd July 1965 and thereafter it has met in New Delhi, Nangal, Alwaye, Bombay, Calcutta, Hyderabad and again at Bombay. These meeting were coupled with visits to selected factories and Board has finalised questionnaire which is now under print. Trade union organisations even where they exist are generally weak.

Report On Railways

By

P. K. KUMARAN, M. P.

The Indian Railways are the largest commercial-cum-industrial undertaking owned and managed by the Central Government. The Railways operate a route length of 57,611 kilometers (consisting of 67,181 km of running track). Of this, Broad Gauge lines are 28,120 route km (37,203 km running track), Metre Gauge 25,165 route km (25,645 track km) and Narrow Gauge 4,326 route km (4,333 track km).

The capital invested as at the end of 1964-65 was Rs. 2,961 crores. Of this Rs. 2,435.1 crores are from the Central Government funds treated as loan capital at charge and the balance from out of the Railway's own revenues which accrued in the Depreciation Reserve Fund and the Development Fund as well as the Revenue Reserve Fund.

The annual gross revenue in 1964-65 was Rs. 661 crores and after working expenses, the net revenue was Rs. 118.1 crores. After paying the dividend at the rate of 5.5 per cent on the capital drawn from the Government, and Rs. 12.5 crores towards passenger tax, the balance net surplus was, as usual, credited to the Development Fund.

At the end of 1966-67, capital-at-charge is expected to reach Rs. 2,855.6 crores, gross revenue Rs. 795.3 crores, net revenue Rs. 155.7 crores and net surplus Rs. 22.2 crores. The balances available in the Depreciation Reserve Fund is expected to be Rs. 63.9 crores, in the Revenue Reserve Fund Rs. 63.3 crores, Development Fund — Rs. 30.4 crores.

The Railways have a fleet of about 12,000 locomotives, 31,000 coaching vehicles and 3,58,000 goods wagons. About 10,000 trains are run daily, to serve 6,800 stations. More than 50 lakh passengers travel by rail everyday. About five lakh tonnes of goods are loaded and carried each day.

The administrative responsibility for the Indian Railways rests with the Railway Board. The Railway Board has a chairman, four members and six additional members in charge of different departments. The entire system is divided into eight zonal railways — namely : (1) Central Railway, (2) Western Railway, (3) Northern Railway, (4) Eastern Railway, (5) North Eastern Railway, (6) Northeast Frontier Railway, (7) South Eastern Railway, and (8) Southern Railway. Each one of these zonal railways is headed by a General Manager. There are also three production units under the Railway Board, namely, (1) Chittaranjan Locomotive Works, (2) Diesel Locomotive Works, Varanasi, and (3) Integral Coach Factory, Madras. These units are also headed by a General Manager each.

Then there is a Research, Designs and Standards Organisation at Lucknow under the charge of a Director-General.

Apart from these, there are two main projects : (1) Railway Electrification, Calcutta, and (2) Dandakarnya-Bolangir-Kiriburu Railway Projects, Waltair. The heads of all these units are directly responsible to the Railway Board. All the heads of these 14 units have wide powers in establishment and administration.

Of the eight zonal railways, six railways, namely, Central, Western, Northern, Eastern, South Eastern and Southern, are organised on the divisional pattern, under which the Divisional Superintendents exercise almost all the powers of General Managers in the matter of administration and inter-departmental co-ordination at divisional level. The other two, N.E. and N.F. Railways are administered on the district pattern, in which district officers of each department are responsible direct to the heads of departments at the railway headquarters.

A new railway zone, South-Central with headquarters at Secunderabad, is being organised and is expected to be inaugurated in October 1966.

There are 13.2 lakhs of regular employees and 5.11 lakhs of casual labourers working on the railways including the construction works. This figure does not include the workers under contractors who are engaged in construction and repair works in several parts of the railways.

Out of these 18.31 lakh employees, 16.04 lakhs are governed by the Hours of Employment Regulations of the Indian Railways Act. The number of employees governed by the Payment of Wages Act is 18.23 lakhs.

1.98 lakh workers employed in the 241 railway installations such as workshops, power houses, printing presses, etc., are governed by the Factories Act.

The Railways run 751 schools (two intermediate colleges, 43 high schools, 23 middle schools, and 633 primary schools) in which about 1.20 lakh students (children of railwaymen) receive education. These schools are situated in places where educational facilities are normally not easily available.

A Staff Benefit Fund also is functioning on the Railways, which is administered at different levels by Joint Councils. Grants are made from this fund for deserving cases towards educational assistance and scholarships, recreation, sports, relief in cases of distress, assistance to sick employees, etc. Institutes and Clubs with reading room and library facilities are functioning in almost all big centres.

Twenty-six cooperative credit societies and banks with a membership of 7.14 lakhs and paid-up capital of Rs. 6.49 crores are also functioning on the railways.

There are only 274 consumer cooperative societies or fair price shops on the railways. The membership of these societies is about 1.42 lakhs.

There are 655 hospitals and health units, with 7,890 beds, on the railways. An average of 1.10 lakh railway employees and members of their families receive medical and health services from these hospitals per day. The Railways claim that they are spending Rs. 84.80 per head per annum towards cost of medical and health services.

Besides this, there are 1,060 T.B. beds reserved for railwaymen, in non-railway institutions.

With all this, the number of hospital beds per 1,000 railway population is only 1.2.

Out of the 13.20 lakh regular employees, 7.77 lakhs are in the Class IV category. They get basic wages within the pay range of Rs. 70 to 110 and a D.A. of Rs. 38 per month.

5.36 lakh employees are in the Class III category, getting basic wages ranging from Rs. 110 to Rs. 600. They get D.A. ranging from Rs. 50 to Rs. 82.

The 5.11 lakh casual labourers get a daily wage ranging from Rs. 1.37 to Rs. 2.00 per day, including four Sundays. Medical

facilities and other amenities available for regular employees are denied to them.

There are instructions from the Railway Board that casual labourers who have put in six months' continuous service should be granted monthly scale of pay. But this is not generally observed.

During the last 15 years, running track on the Indian Railways has increased from 59,673 km to 67,181 km in 1965. During the same period, the number of passengers carried has increased from 128.4 crores in 1951 to 199.2 crores in 1965. Volume of goods traffic has increased from 9.3 crore tons in 1961 to 19.4 crore tonnes in 1965; while the number of regular employees has increased from 9.14 lakhs in 1951 to 13.20 lakhs in 1965.

The workload on the employees has also been increasing. If in 1961, the number of open line staff employed per million train kilometres was 3,144, in 1965, the number of staff per million train kilometres has decreased to 2,932.

Similarly, workload on the workshop staff also has been increasing through the introduction of incentive system. A large number of workers became surplus. But because of the increase in the volume of work, they were not retrenched outright. Many were diverted to new lines of work. Recruitment to workshops has slowed as vacancies are not being filled.

The "simplification and mechanisation of accounts" procedures and introduction of electronic computers (automation in offices) in Statistical Branches have resulted in rendering a large number of clerical staff surplus. The change in accounting procedure has enabled the Railways to avoid increase of commercial staff at stations also. Surplus hands have so far been accommodated in unfilled vacancies and recruitment has slowed down.

In the year 1965 alone, the Indian Railways have saved Rs. 3.24 crores due to non-operation and non-filling up of posts.

Besides these changes, dieselisation and electrification of railways are taking place at a fast rate. Out of the 11,621 engines in use on the railways, 10,711 are steam locos, 621 are diesel locos and 289 are electric locos. But one diesel loco does the work of 2.5 steam locos and one electric loco does the work of five steam locos. The result is that, today, out of the total net tonne kilometres moved by the railways, 52 per cent is moved by steam traction and 48 per cent by diesel and electric traction.

On the maintenance side, this brings about drastic changes. Number of workers required to maintain and run diesel or electric locos is less than one-third of that required for steam locos. The new worker should be better educated and technically equipped than the old one. While this brings about a drastic change in the character of the new railway worker, the number of employees gets reduced significantly. In sections where dieselisation and electric traction have been introduced, the surplus staff has become a problem.

Over and above all this, the railways have recently started a scheme for application of work study techniques for effecting economy and increasing efficiency. The net result is increase in workload and unrest among the railway workers.

T.U. POSITION

Although the Railway workers were among the pioneers of the TU movement in India, the railway TU movement is now weak and divided.

There are two main all-India Federations — the All-India Railwaymen's Federation (AIRF) which claims a membership of 3.62 lakhs. The other is the National Federation of Indian Railwaymen (NFLR) affiliated with the INTUC which claims same total membership.

Another all-India organisation is the National Union of Railwaymen led by Frank Antony. The membership of this union is confined to Class III employees, mainly Anglo-Indians.

There are also several all-India category-wise organisations like Guards Council, Running Staff Association, Pay Clerks Association, Telegraphists Association, etc. The most active of these craft unions is the All-India SMs and ASMs Association.

Since the last two years, the Jan Sangh has been working hard to form and has already succeeded in forming an Akhil Bharath Railway Karmachari Sangh.

Very recently, the SSP and some erstwhile members of the AIRF had organised a convention for the purpose of setting up a Fourth Federation. They have set up a Council of Action, as they profess that they do not believe in negotiations for the satisfaction of demands of railwaymen. The fourth Federation is yet to take shape.

It has been the unfortunate experience of railway TU movement that the leadership of the movement had not been in the hands of people who believe in democratic functioning. Now there are parallel unions in each of the zonal railways affiliated to NFIR and AIRF respectively. All these parallel unions (two in each zone) have been recognised by the Administration except in the Southern Railway, where the AIRF affiliate — Southern Railway Mazdoor Union is not recognised.

The unions functioning in the production units — Chittaranjan Locomotive Works and Integral Coach Factory, Parambur, are also not recognised. On the North Eastern Railway there is a third union, namely, the N.E. Railway Mazdoor Sabha, led by SSP which is not affiliated to any all-India federation. On the Southern Railway. The Southern Railway Employees Sangh led by railway workers themselves, is also not recognised and not affiliated to any all-India body.

Prior to the 1960 general strike, there were three unions on the Southern Railway. The Southern Railway Employees Sangh (NFIR), Dakshin Railway Employees Union (functioning on the ex-MSM and ex-MS portions of SR) and Southern Railway Labour Union (functioning on the ex-SIR portion) which was an AITUC affiliate. While DREU was affiliated to the AIRF, the SRLU was not affiliated to it. On the eve of the strike, the AIRF leaders appealed to the SRLU to join the DREU and cooperate in the strike which the SRLU did. After the strike, the two unions decided to merge into one organisation. The AIRF which was then dominated by the PSP elements objected to this. But the unions went ahead and amalgamated into the new DREU, covering its organisation over the entire Southern Railway. The PSP and anti-communist elements who were in the old DREU did not participate in the merger conference and instead organised a new union, the Southern Railway Mazdoor Union. This union was promptly affiliated to the AIRF and the DREU was dis-affiliated. Efforts made to restore affiliation of DREU with AIRF and unity with SRMU have so far not succeeded.

Among the Trade Federations which function on the Railways, the AIRF has, of late, shown some signs of getting alive to the problems of the railwaymen, including the problems of building the unity of the railwaymen and in favour of unity of action with other sections of Central Government employees. It should be pointed out, however, that certain anti-unity political elements in the AIRF seek to prevent this development and seek to continue a policy of blind anti-communism. Democratic func-

tioning of the organisation has not been a strongpoint with the AIRF leadership and there have been several instances, including the case of the DREU affiliation, wherein, in an effort to perpetuate a certain political orientation of the AIRF, pro-AITUC elements in the organisation were kept out of the union leaderships at local, zonal and all-India level. With the growing assertion of the employee element in the zonal TU leaderships, in favour of unity and united action, and a number of independent trade unionists in the all-India leadership getting disillusioned of the "isolationist" policies in relation to the general stream of the organised TU movement pursued by the AIRF leadership, the sectarian organisational policies of the AIRF have come under heavy attack. The recent postures of the AIRF leadership reflect a certain change from the old positions and also show an awareness to prevent further disruption of the movement. The AIRF can become, as the traditional organisation of the railwaymen, the real symbol of unity of action of railwaymen and it was in this context that the AITUC issued an open call to railwaymen recently for strengthening and democratising the AIRF. The democratic functioning of the AIRF will much depend on the quality of functioning of the affiliated zonal unions to reflect the real interests and urge for unity of the mass of railway workers.

Some Important Demands

The situation in the Railways is currently serious. All their major demands remain unfulfilled. Class IV employees who, as a result of the recommendations of the Class IV Promotion Committee, have secured some meagre percentages of posts in Class III categories for promotion, seem to be under the misapprehension that their active association with unions will hinder their chances of promotions. Experience in centres where the TU movement is strong shows that this fear is unfounded. Yet certain sections of Class IV employees here and there have cooled off in their attitude towards the TU movement. This reflects the backwardness in such areas and warrants educative propaganda. Disruption caused by fissiparous tendencies and category-wise organisations, which are often assisted by the Administration have also added to the confusion. It is necessary to organise and unite the railways on the basis of their fundamental demands.

One of their foremost demands is for the appointment of a Wage Board.

Even after the lapse of nine years, the recommendations of the 15th Indian Labour Conference have not been implemented by

the Railway Administration. The Second Pay Commission had practically undone all that the First Pay Commission did for the railwaymen. The Nutrition Advisory Committee has recommended that in Indian conditions, the industrial workers should have an intake of 2750 calories. This is 150 calories more than the 2600 calories accepted by the Second Pay Commission on the basis of the spurious assumption that most of the workers are vegetarians.

The entire pay structure of railwaymen fixed by the Second Pay Commission requires drastic revision. The Pay Commissions which were charged with the job of recommending wage scales for categories in the administrative services of the Government, have generally failed to take into account the special features of the railway work as well as to measure the degree of skill involved for different categories on which to fix the differentials. The result was that after each Pay Commission, there were strong protests from different categories and frustration generally followed.

The Government's view is that railwaymen are part of the administrative system and hence they cannot claim a Wage Board as industrial workers. This is not correct: the simple fact that the Railways are owned by Government does not make the railwaymen part of the administrative apparatus. Railwaymen are essentially industrial workers and belong to the large family of industrial workers of India. Just as a worker in a state-owned steel plant is not a government servant, so also railwaymen cannot be classified as government servants.

State-owned steel plant workers of Bhilai, Rourkela and Durgapur have through a Wage Board succeeded in raising their minimum wage to Rs. 125 and recently the D.A. has been increased further by Rs. 15. The port and dock workers who were also on the same Pay Commission scales as railwaymen have also a Wage Board and have secured interim relief from the Wage Board of Rs. 7.80 per month, over and above CPC scales and the Central Government rates of D.A.

Railwaymen get only at the minimum Rs. 70 plus a D.A. of Rs. 38. The basic wage of Rs. 70 at 1949 prices is only Rs. 19.63 in terms of 1939 prices.

It is therefore the urgent demand of the railwaymen to secure a wage revision on a scientific basis and to do this, the appointment of a Wage Board is imperative. The AITUC has supported this demand.

Linked with the demand for Wage Board as other industrial workers is the railwaymen's demand for bonus. As a commercial undertaking, they are entitled to bonus and there is no rationality in debarring the departmental industrial employees of Government from bonus payments as has been done in the Payment of Bonus Act. Government has extended the provisions of the Act to non-competitive public sector undertakings also: road transport undertakings owned by Government are paying bonus. The railwaymen cannot be discriminated against on this matter.

Another most important demand is the question of Dearness Allowance. When the cost of living is rising at a fast rate, because of the failure of government to check price rises, real wages suffer from continuous erosion. If the real wage is to be protected, every rise in the cost of living should be compensated by corresponding rise in D.A. The system so far followed, giving ad hoc increases and that too at long intervals when price indices average 10 points over a 12-month period, is highly inadequate. Even this paltry D.A. revision came about only after sustained agitation. Even the latest D.A. increase was a hoax and has left the railway workers, especially the Class IV workers completely dissatisfied and cynical.

Various false theories are being propagated by Government in order to deny a legitimate D.A. rise. It is argued that the "surplus" purchasing capacity with the workers pushes up prices, and that this tendency is accelerated with every increase in D.A. ! Nowhere in the world do price rises chase wage rises. Yet Government consciously encourages this kind of propaganda and has already indicated that there will be no more D.A. increases in future. This propaganda should be exposed and workers rallied for demanding point-to-point adjustment of D.A., on the basis of D.A. revision every three months. There should be cent per cent neutralisation of the rise in cost of living at all levels of pay for all Class IV and Class III categories.

The present difficulties of the workers will be resolved merely through ad hoc wage and D.A. revision. In these days when scarcity conditions prevail in many parts of the country, the onus of providing essential commodities at reasonable prices to the workers should be on the Government. Hence the demand that the Railway Administration should open grain shops where food-grains, sugar, oil, cloth and other necessities can be supplied at prices pegged at an agreed date.

With the technical changes that are taking place, introduction of diesel and electric traction, incentive systems, changes in

accounting methods and introduction of automation, etc., the question of job security has become an urgent and burning problem. Although at present, the staff rendered surplus is being absorbed in other branches of work, the changeover is causing considerable dislocation and disrupts the life of workers. It is likely that at the pace at which jobs are being reduced, the problem of job security might soon become quite explosive.

From this year's railway budget, it is noticed that there is a deliberate slowing down of expansion work. Unless, in the context of planned development, the railways also go in for expansion and the capacity of existing plant and machinery, the threat to workers' jobs will be all the more greater.

Arbitrary way of denying night duty allowance, inadequate rate of travelling allowance, etc., are some of the other demands. Night duty allowance has been demanded to all employees who are on duty between 22 and 6 hours.

It might be fantastic but nevertheless true that there are 5.11 lakhs of casual labourers employed in the Indian Railways, many of whom have put a service varying from three to ten years and are paid only Rs. 1.37 to Rs. 2 per day. None of the labour laws are made applicable to them. This issue has been raised repeatedly with the Railway Administration and it was demanded that the workers should get wages on par with the minimum of the wage scales prescribed by the Second Pay Commission and also given other facilities. The Railway Board has refused to consider reference of this dispute to arbitration even after efforts to reach agreement in the Permanent Negotiating Machinery failed.

The AIRF has raised all these demands and many more. The AITUC has supported the AIRF demands and has called for wider trade union support to the railwaymen's demands and to build solidarity in action. As it will be noticed, some of the demands are of much wider import and necessarily, the entire TU movement has to move in joint action on them.

All-India Trade Union Congress

**27th SESSION
Bombay**

INDUSTRY REPORTS

on Ports & Docks

By PROSANTO KUMAR DUTTA

on Hotel Workers in Bombay

By P. V. UPADHYAYA

on Woollen Textile Industry in India

By PARDHUMAN SINGH

on Cashew Industry

By A. SHANTARAM PAI

on Iron & Steel (Note)

By NIHAR MUKHERJEE

SIXTEENTH—TWENTYSECOND MAY, 1966

*Changes in the Composition of Traffic in Major Ports
(million tonnes)*

Foodgrains	..	52.2	6.5
Fertilizers	..	0.3	1.8
Iron and Steel and Machinery	..	0.6	2.1
Coal	..	3.8	2.8
Iron-ore and other ores	..	1.5	9.3
General Cargo	..	6.9	9.6
Petroleum products	..	3.9	16.3
Total	..	22.2	48.4

*Provisional Estimates of Traffic at Major Ports in 1970-71
(million tonnes)*

Major Port	Petroleum products	Iron & other Ores	Coal	Fertilisers Rock Phosphate & Sulphur	Food grains	General Cargo	Total
Calcutta							
1964-65	1.8	0.9	1.8	0.1	1.7	4.8	11.1
1970-71	2.8	3.2	2.0	1.7	2.3	6.9	18.9
Bombay							
1964-65	9.8	0.6	0.1	0.8	2.3	3.7	17.3
1970-71	6.9	0.3	..	1.0	1.2	7.1	16.5
Madras							
1964-65	0.8	1.0	0.5	0.3	0.8	1.0	4.4
1970-71	3.5	3.2	0.2	0.8	0.4	1.5	9.6
Cochin							
1964-65	1.1	..	0.3	0.3	0.4	0.7	2.6
1970-71	2.8	..	..	0.8	0.2	2.0	5.8
Vishakhapatnam							
1964-65	2.1	0.5	0.1	0.1	0.4	0.7	3.9
1970-71	1.5	6.6	..	0.5	0.1	1.0	9.7
Kandla							
1964-65	0.6	0.1	..	0.1	0.9	0.6	2.3
1970-71	2.7	..	0.3	0.2	0.8	1.5	5.5
Marmugoa							
1964-65	0.1	6.2	..	0.1	..	0.2	6.6
1970-71	0.2	6.3	0.8	0.4	..	0.6	8.3
TOTAL:							
1964-65	16.3	9.3	2.8	1.8	6.5	11.7	48.4
1970-71	20.4	19.6	3.3	5.4	5.0	20.6	74.3

Report on Ports & Docks

By

PROSANTO KUMAR DUTTA

India with a long sea board of over 5,000 kilo-metres has 225 ports of which 150 are working ports. Under the British Rulers, there were only three Major Ports — Bombay, Calcutta and Madras. After the attainment of independence, and the formulation of various Five Year Plans for building national economy of our country, the development of Ports took its rightful place on the Agenda. Today the Ports of Kandla, Marmugoa, Vishakapatnam and Cochin have been developed as Major Ports. It was in 1950, that the National Harbour Board was set up by the Government of India to co-ordinate the development of Ports. The Ports of Tuticorin, Haldia and Karwar and their development engaged the attention of the free India Government.

Traffic figures for Major Ports from 1950 to 1965 are given below:—

Traffic at Major Ports
(million tonnes)

	1950-51	1955-56	1960-61	1964-65
Calcutta	7.6	8.0	9.5	11.1
Bombay	7.0	10.3	14.7	17.3
Madras	2.2	2.4	3.0	4.4
Vishakhapatnam	1.0	1.3	2.9	3.9
Cochin	1.4	1.6	2.1	2.8
Kandla	0.1	0.3	1.6	2.3
Marmugoa	..	..	..	6.6
Total	16.3	23.9	33.8	48.4

Workers' Struggles

In Ports and Docks all over the world, there is a long history of militant trade union movement. This was mainly because in every country of the world the workers engaged in loading and unloading of ships have been casual from the very beginning. There was no security of employment. The stevedores and contractors etc. exploited the workers. This problem engaged the attention of all the countries. In U.K. guaranteed wage was first demanded in 1920 by Mr. Bevin. Simultaneously voicing the identical demand 20,000 dock workers in India went on strike from 2nd to 16th February 1920.

The Royal Commission on labour in its report submitted to the Government of India in March 1931, recommended the de-casualisation of dock workers with a view to securing 'as large a measure of regular employment as the nature of calling will allow'. According to this report 'the aim should first be to regulate the number of dock labourers in accordance with requirements and secondly to ensure that the distribution of employment, depends, not on the caprice of the intermediaries but on a system which, as far as possible gives all efficient men an equal share'. On the recommendation of the Royal Commission, Dock Workers (Regulation of Employment) Act of 1948 was legislated.

The mounting waves of Post war trade union movement in the Port and Docks achieved some signal gains. The 87 days long historic strike by the Calcutta Port workers in the year 1947 compelled the Authority to come out with a commitment to implement the recommendations of the Central Pay Commission. Twenty-two thousand port workers' strike was hailed by all sections of the people of West Bengal, because it changed the entire atmosphere of the country, which was vitiated by communal riots. Hindus, Muslims and workmen hailing from different provinces of the country stood firmly united under the Red Flag, ignoring all sorts of provocations. The strike volunteers were considered as peace makers in the locality and areas quartered by Port workers remained unaffected by the fratricidal war.

The strike threat by Bombay dockers compelled the Bombay Stevedores' Association to come to a settlement on 22nd November, 1947. According to the terms of the settlement, a Committee was appointed by the Government of India under the Chairmanship of S. C. Joshi to frame a scheme for the dock workers. Shri Joshi submitted his report on the 10th of July 1948. Three schemes one each for Bombay, Calcutta and Madras, called Dock Workers

The estimates for 1970-71 are drawn from the report of the Haldia Study Team. For Bombay Port, the Bombay Port Trust has estimated the likely traffic for 1970-71 as 20.7 million tonnes comprising 10.5 million tonnes of petroleum products, 0.3 million tonnes of iron and other ores, 0.3 million tonnes of coal, 1.0 million tonnes of fertilizers, 1.6 million tonnes of foodgrains and 7.0 million tonnes of other cargo.

The problem of Indian Shipping is intrinsically connected with the development of our Ports and Docks. It is also a vital factor in the development and consolidation of our National Economy. Dockers of India, who are interested in strengthening our national economy, must also play their rightful part in nation-building activities.

In 1947 India had less than 250,000 G.R.T. Merchant Shipping. The Free India Government progressively increased it and on April 5, 1966 it was 1,531,000 G.R.T. The tonnage at the beginning of the Third Plan was 8.57 lakhs G.R.T. and today it is 15.31 lakh G.R.T.

The following figures show the progress of Indian Shipping during the last five years:

<i>Year</i>	<i>Cargo carried in Overseas trade including adjacent trades (lakhs of tons dead weight)</i>	<i>Earnings in the Overseas trade including adjacent trades (Rupees in crores)</i>
1960-61	30.78	21.46
1961-62	34.21	31.66
1962-63	35.38	39.29
1963-64	53.73	43.13
1964-65	67.36	51.37

A target of 1.1 million tons fixed for the Third Plan period was revised upwards several times and it is expected to go up to 1.8 million tons (actual) by the end of 1965-66. This is expected to go up to 2.4 million tons if ships on order and under construction are taken into account. (Courtesy : *Indian Shipping*, November, 1964).

a protest hartal on June 18, 1958. On June 21, when the dead bodies of the victims of firing were handed over after inquest, forty thousand people marched along a ten mile route to the cremation ground. Thousands of people lined the streets to pay respect to the martyrs.

This national general strike was significant in many respects.

This was the first time when the port and dock workers struggled together on a common charter of demands, simultaneously on all the major ports.

The positive achievement of the June 1958 struggle was appointment of a categorisation and classification committee for fixation of scales of pay of port and dock workers and publication of Government decisions on the recommendations of the Chowdhury Committee, other than its recommendation on retirement benefits.

Split in the Federation

The success of this struggle was keenly watched by the I.T.F. General Secretary, Omer Beku. The Federation Secretary in reply to the instructions of the I.T.F. Secretary informed him under letter No. Fed 15/58 dated 9th July 1958 that the small number of communists who were in the federation should be driven out and that he had set the ball rolling as per direction. On July 14, 1958 when detailed discussions at Government level started following the strike, Com. A. S. K. Iyengar, who led the heroic struggle of the Madras Dockers under the banner of the Federation and who was in the delegation which met the Prime Minister on the 28th of June 1958 had been conspicuously excluded. Simultaneously there was a split in the Calcutta union. Later on Shri Kale of Bombay and Shri Bishwanath Dubey were excluded from the officials of the Federation. Therefore the 1958 National Struggle by the Port and Dock Workers was a landmark of success as well as failure in the task of extending organised movements in the Ports and Docks on a National Plane. It is a pity that Trade Union movement has been disrupted on political reasons under the behest of the foreign agency.

After the publication of the C.C.C. report there was widespread unrest amongst the Port workers of Bombay and Calcutta. The report of the C.C.C. was binding on the workers as well as the Port administration. Bombay employees were already in receipt of wage scales higher than those recommended. The All India Port & Dock Workers' Federation was compelled to

(Regulation of Employment) Scheme came into operation in the years 1951 and 1952.

Federation Formed

The lessons of various struggles launched by the workers independently from Port to Port, brought the trade union leaders to a common platform. A federation styled as the "All India Port & Dock Workers' Federation" was formed in the year 1949. The attempt of Shri G. H. Kale of Bombay to bring all the organisations working in the field within the federation was not liked by a section of the Trade Union Leaders. Some of the A.I.T.U.C. affiliates were carefully avoided. Despite sectarian outlook of the Federation leaders, the A.I.T.U.C. Unions were directed to respond to the call of the Federation.

In the year 1955, the I.N.T.U.C. Unions formed a separate federation of their own named as 'National Federation of the Port & Dock Workers'.

In the year 1963 the A.I.T.U.C. Unions formed a federation named as "Port, Dock & Waterfront Workers' Federation of India".

The biggest struggle in the history of the Port and Dock workers movement sparked off on the 15th of June 1958. The ten day old national general strike of nearly one and half lakh of workers was called off on June 15, 1958, following the assurance of Prime Minister Nehru that he would assume personal responsibility to see that the legitimate demands of the workers were agreed to. The unity of the dock workers solidly around the All India Port and Dock Workers' Federation triumphed in the strike. The policy of the 'big stick' with which the Government wanted to suppress the strike — calling in of troops, Government sponsored recruitment of black-legs through employment exchange as in Madras, and the brutal firing in the Madras port did not succeed in crushing the unity in action established by the Port and Dock Workers in their momentous general strike. Within 24 hours of the strike on the 16th June 1958 the police resorted to firing upon the Madras dockers. The Madras dock workers were organised under the Madras Harbour Workers Union, (A.I.T.U.C.) an affiliate of the All India Port and Dock Workers' Federation. Solidarity with the striking port and dock workers reached a new high in Madras city when the working class and people of this leading commercial and industrial centre observed

Association and a newly formed union of the I.N.T.U.C. and H.M.S. in Goa Port signed an agreement to introduce the pool system of work. The A.I.T.U.C. Union which led the largest following among the workers was refused consultation and the Stevedore Association directly advertised the scheme in the Press and wanted to introduce it from 1st June. But the Scheme was enforced from 23rd May 1963. Consequent upon the implementation of the Scheme a large number of men were retrenched.

The Government of India with all its forces came out to break the strike. The strike was declared illegal under the Defence of India Act. About 204 persons including Union General Secretary Gerald Pereira and Secretary, Gajanan Patil were arrested. The strike was settled through the intervention of the A.I.T.U.C. Secretary and an agreement was reached which includes inter alia (1) Release of Union leaders, (2) No retrenchment as a result of the implementation of the pool scheme, (3) Re-instatement of all the retrenched workers, etc.

On the 26th of June 1963, Bombay Flotilla crews numbering about 2,000 struck work on the demand for reference of their case to adjudication, revision of pay scales for certain categories and improved service condition. The strike was organised by the B.P.T. General Workers' Union, a constituent of the H.M.S. Federation. The strike was settled on the 27th June following assurance by the Shipping Minister to refer the matter to adjudication.

In September 1963, the Port and Dock Workers of all the major ports participated in the great march at Delhi.

In the year 1964, there was no instance of struggle in the major ports except the observance of Demands Day on the 25th July 1964 by Port, Dock & Waterfront Workers' Federation for a Wage Board to be constituted with the representatives of the three Federations. The 'B' category workers of Calcutta demonstrated on several occasions to voice their grievances for permanency in service.

The biggest strike in the Waterfront during the Third Plan Period was the 85-day long 3000 'B' Category workers' strike at Calcutta Port led by the Port & Dock Workers' Union. The strike was called off following reference of the issues to a Court.

An analysis of the struggle, will go to show that the Port & Dock Workers had two pronged struggles one on the dock side

serve a Strike Notice. The strike notice was withdrawn on the 11th June, 1961. It was mutually agreed that both the labour unions and Port administration stood fully committed on the binding character of the C.C.C. report and agreed to devise ways and means to avoid strikes and lock-outs in the Ports in India.

Under the leadership of the B.P.T. General Workers' Union Bombay, one of the affiliates of the Federation 865 members of the crew of the Harbour Flotilla including the men working in the Pilot vessel, went on strike from 25-2-62 to 2-3-62 demanding removal of anomalies arising out of the C.C.C. The strike was withdrawn on the assurance of reconsideration of the matter by the Government.

Four thousand workers of the Calcutta Port Commissioner's workshop staged a two-day strike on 28-2-62 to 1-3-62 demanding removal of anomalies of the C.C.C. report and creation of the posts of Basic Tradesman.

On the 16-4-62 ten thousand Calcutta Port & Dock workers staged a day's token strike and demonstrated demanding arrear payment of account of the Second Pay Commission and removal of anomalies of the C.C.C. report.

The Mormugao Port, Dock & Transport Workers' Union (A.I.T.U.C.) resorted to strike action from 30-6-62 to 3-7-62. They demanded extension of Indian Labour laws to liberated Goa, reinstatement of 60 workers including the union President who were retrenched earlier by the Stevedore Companies and restoration of cut in wages. During the strike a complete General Hartal was observed on July 3rd, 1962 at Mormugao and Vasco-de-Gama towns against police excesses and for solidarity with the striking workers. The strike was withdrawn on the assurance of the Lt. Governor of Goa, Daman and Diu, to settle the grievances of the workers.

From 21-9-62 to 26-9-62 Crane Drivers of the Mechanical Coal Loading Plant of Calcutta Port went on strike under the leadership of the Calcutta Port & Dock Workers Union (AITUC) on the demand of the implementation of the recommendation of the C.C.C. scales of pay, which the authorities denied to implement.

Marmugao Dock Labourers led by Marmugao Port, Dock & Transport Workers Union (A.I.T.U.C.) went on strike from 23-5-63 to 3-6-63. The strike started because the Stevedore

There fore the key problem before the Port and Dock workers in the Major Ports was the standardisation of wages and uniformity in service conditions. This was sought to be solved by bringing the port workers under the purview of the Central Pay Commission; but it failed to achieve the desired results. In the Dock side different sets of piece-rate schemes in different ports could not solve the problem. There are some practical difficulties which hamper the bringing in of the Port and Dock workers of all the major ports in a uniform standard. Port transport work at the Docks is different from that of other industries, local conditions vary considerably from port to port, between cargo and cargo, between ship and ship, and even between the holds of the same ship or different ports of the same shed, so that a standard can hardly be laid down. As a result an unhealthy atmosphere prevails. Some adjudicators have stated that the work of the stevedore labour is more arduous than that of the port trust labour, but there was no evidence on the point and as such the adjudicators refrained from committing positively to either of the views. Suggestions from some quarters are that the stevedore workers should be at par with the shore workers in respect of wages as in the case of the Port of London. At one stage the stevedore workers in Bombay were being paid less than the shore workers. But this suggestion was not accepted by the adjudicators as the existing difference had been in existence since 1951.

Various Committees have been set up by the Government to investigate and make recommendations on the problems connected with the working conditions of the port and dock labour. But unfortunately the quality, foresight and imagination which is necessary in an industry whose functional objective is quicker turn round of ships are lacking and the out-turn of each of the committee's recommendations could not be implemented, unless authorities were compelled to do so. This can be illustrated by a few examples.

The report of the Central Pay Commission 1948 has been implemented in so far as allowances are concerned, in the year 1947, but not the scales of pay. In January 1955, the Vasist Committee was appointed to enquire into the workings of the various dock labour schemes and it was set up only after a lengthy go-slow movement by the dock workers. The Vasist Committee submitted its report in the month of September 1955 but its main recommendations have not yet been implemented. The Chowdhury Committee was constituted by Government in 1956 to investigate disparities and anomalies in the pay scales etc. of labour of all

and the other on the ports. This was due to some basic problems facing the workers' movement in the waterfront.

Problems Facing the Workers' Movement

The primary objective in the port operation is quicker turn round of ships calling at the ports. This depends on speed, efficiency and care with which cargo handling operation is carried out not only on board the vessels but also at shore as well as transportation of cargo by rail or road.

In the cargo handling operations two sets of workmen function. Those who are on shore are employed by the Port Commissioners, and those who work on board the ship are employed by the Stevedores through the Dock Labour Boards. These two sets of workers are complimentary to each other in the loading and unloading of ships in Indian ports. But two sets of autonomous administration namely Port Trust Commissioners and Dock Labour Boards are prevailing, controlled by two different ministries of the Government of India. At some foreign ports, however, one gang of workers, one part of whom work on the ship and another part on shore carry out the work.

In the past there was no uniformity in the pattern of administration. Three major ports namey Visakhapatnam, Kandla and Cochin were run departmentally by the Ministry of Transport. With the coming into force of the Major Port Trusts Act 1963, with effect from 29th February, 1964, the first Boards of Trustees were set up at these ports for their administration. The major port trust Act was also extended to Marmugao port with effect from 1st July, 1964, when the first Board of Trustees was constituted. Flowing from this new set up two sets of service conditions will prevail hereinafter viz. (a) those who were on Government service prior to the formation of the Port Trust Boards (b) those who will be appointed hereafter. Added to this, three sets of service rules are now prevailing in three major ports, Calcutta, Bombay and Madras administered by three different Ports Acts.

In the Dock side also according to Dock Workers employment scheme Dock Labour Boards are entrusted with the task of regulating the working conditions of the stevedoring workers, although according to the Dock Workers (Regulation of Employment) Act of 1948 the Scheme should have been drawn to regulate the employment of all waterfront workers.

The A.I.T.U.C. Unions in different ports suffer from another weakness. In some ports the major strength is on the dock side, as in the case of Madras, whereas at Vizag port side is comparatively stronger. At Kandla, Cochin and Goa, the strength in both the port and dock side is squarely distributed. But in Cochin, the number of A.I.T.U.C. unions are 6. Unless the A.I.T.U.C. unions at Calcutta and Bombay ports command the confidence of the majority of workers, the balance of forces, cannot be materially changed in the waterfront in India. This shortcoming has got to be overcome. Much of it depends on the success of our central functioning, because, now-a-days, the port and dock authorities meet the workers' demands under the guidance of their co-ordinated organisations called Inter Port Consultative Committee, whose directive is not to yield on the demands of the workers in isolation.

major ports. This was due to the fact that the recommendations of the Pay Commission were not implemented in toto. It came into being after a widespread unrest in major ports. The report of the Chowdhury Committee was published in September 1957 and due to delay in implementing the recommendations, the major port and dock workers resorted to an all India strike in June 1958 resulting in the loss of approximately 4½ million man-hours. Jeejeebhoy Committee appointed to work out a Piece rate scheme for shore and stevedore labour in Calcutta submitted its report in August 1957. No decision could be reached on the subject until 1964, when a fresh scheme replacing the old scheme was introduced. The categorisation, classification committee was appointed on 23rd August 1958. It was asked to submit its report within six months. The C.C.C. actually submitted it on 28th May 1961. The report was given effect to in the year 1962 along with the recommendations of the Second Pay Commission with retrospective effect from 1st October 1957 and on 1st July 1959 respectively. A Wage Board was recommended during the Second Five Year Plan period. The Wage Board was appointed on the 13th of November, 1964. It has so far granted Interim Relief to the tune of Rs. 7/80 and a demand for Second Interim Relief is pending consideration. It is not known when the final report will come out.

Organisational Problems

The main weakness of the Trade Union movement in the Ports and Docks is the multiplicity of the Unions. There are altogether 52 unions functioning in the major ports. The number of unions at Bombay is 8, Calcutta 9, Cochin 16, Kandla 4, Madras 6, Marmugoa 5, Vishakhapatnam 4. Most of the unions are affiliated to one of the three All India Federations. The three Federations are affiliated to A.I.T.U.C., I.N.T.U.C. and H..M.S. Besides two flanks of U.T.U.C. have one union each at Calcutta Port. There are quite a good number of craft committees in the Calcutta and Bombay Ports, which are reckoned with at the time of struggles.

The major strength of the H.M.S. Federation is located in Calcutta and Bombay. The source of the strength of I.N.T.U.C. is overall recognition by the authorities concerned. The A.I.T.U.C. is stronger than other Central organisations in five major ports other than Bombay and Calcutta, the two biggest ports in India.

The element of Dearness Allowance was totally unknown to the Hotel workmen. The Hotel Mazdoor Sabha placed this demand before the management of Hotel Nataraj, a fashionable top grade Hotel in the City. The Union contended before the Tribunal that an award should be made for Dearness Allowance taking into consideration the paying capacity of the Hotel and more so on account of the unabated rising cost of living for the workers and their families. The Tribunal allowed the plea of the Union. The D.A. was fixed at graded rates i.e. Rs. 15/- or 15% with retrospective effect from April 1, 1965.

Another success of the Sabha was when it secured D.A. for workmen of the Canteen in the factory of Pfizer Private Ltd. run by Industrial Catering Services. As per the terms of the Agreement the D.A. is linked to the cost of living index.

The Hotel Mazdoor Sabha has consistently struggled for linking the wages of workers with the cost of living index. This struggle has to be intensified. The minimum granted by the Committee will become illusory if the minimum is not linked with living index and workers are not proportionately compensated.

To start with, after fixation of Minimum Wages, the Hotel Mazdoor Sabha launched agitation for a minimum Dearness Allowance of Rs. 15/- for all Hotel, Restaurant and allied industry workers. The minimum wage to the Hotel workers is losing its importance in the face of rising cost of living and hence relief by way of Dearness Allowance is urgently required. The Government, however accepted an increase of Rs. 5/ from 1st April 1965 as against the minimum demand of Rs. 15/- made by the Sabha.

In the initial period the characteristics of Canteens owned and conducted by Employees' Co-operative Societies for providing food articles to its members, presented difficulties. But the Union overcame the obstacles with the unity and strength of Canteen workers. The dispute between the workmen and the Accountant Generals' Office Staff Cooperative Consumers Society (Canteen and Stores) Ltd. Bombay was referred to Industrial Tribunal. The Tribunal awarded incremental scales and leave facilities. The minimum scale awarded is Rs. 10/- higher than the minimum fixed by Government.

Similarly the Sabha secured an interim relief of Rs. 17/- in the D.A. for workers of Bombay Presidency Radio Club, the membership of which consists of aristocratic strata of the Society.

Reports on Hotel Workers in Bombay

By

P. V. UPAHDYAYA

It was under the leadership of the Hotel Mazdoor Sabha that the slogan for the the Minimum Wage to Hotel and Restaurant workers was raised first in Maharashtra. That was the time when there was no legislation worth the name to protect the Hotel and Restaurant workmen save the Bombay Shops & Establishments Act which was hardly sufficient to regulate their working conditions. Some of the provisions of the Shops Act needed modifications.

This class of workmen numbering more than a lakh in the City of Bombay alone, and spread over in 10,000 establishments and more, was subjected to the worst type of exploitation. The Hotel Mazdoor Sabha therefore demanded a minimum wage for this class of workmen and had to launch agitation for a number of years to achieve this demand. Side by side, the Sabha demands application of Payment of Wages Act, Provident Fund Act and other amenities like leave, regulated working hours, gratuity for the Hotel Workmen. The agitation of the Union was successful. The Government announced the formation of a Coimmittee. The General Secretary of the Hotel Mazdoor Sabha was one of the two members representing the employees on this Committee. The minimum wage worked out by this Committee came to be applied from October 1963.

The Hotel Mazdoor Sabha today claims membership in most of the large scale Hotels, leading Clubs, Canteens in major industrial and commercial establishments, medium and small Hotels.

The workmen organised under the Sabha have been able to achieve higher wages by introducing incremental scales, bonus, gratuity, sick leave and casual leave facilities.

In most of the big units, the Union has been successful in replacing the existing tip system with "service charges system". The service charges forming part of the bill are distributed equally among the employees periodically.

their future by dint of hard labour. They lost the jobs on the eve of their annual examination. All decent language when dealing with these Societies has failed to convince the managements of Co-operative Societies for giving a fair deal to their workers and the situation needs an urgent solution.

Therefore the Union has organised a conference of Hotel and Canteen workers towards the end of this month to deliberate upon ways and means to bring pressure upon diehard managements to give relief immediately needed by the Canteen workers.

The Hotel and Canteen workers are today required to work 9 hours a day and for 54 hours a week, while all other workers in various industries work only for 8 hours a day and 48 hours a week. There is no reason why this discrimination and injustice should continue. The Hotel Mazdoor Sabha has repeatedly demanded reduction in the working hours of Hotel workers. It is high time now that Government should recognise the fairness of this demand and do away with discrimination.

Similarly there are other problems of Hotel and Canteen Workers. Provident Fund Act is no doubt applied: but only to such establishments which employ more than 20 workers. It means that thousands of Hotel workers employed in small establishments do not get the benefit of that Act. Similarly Canteens and Hotels are given to contractors on temporary basis and services of such workers are broken under the pretext of renewing or changing the contract.

Hotel workers are not given any casual leave or sick leave though Sabha has been able to secure this privilege in many Hotels and Canteens on its own strength. The recent Bonus Act also would not be applied to thousands of Hotel and Canteen workers.

The Industry still employs child labour. Agitation has been carried on in the past but with little effect on the Government.

The Conference referred to above will discuss all the problems enumerated above and vital decisions will be taken and future course of action decided. The Hotel and Canteen workers will be further organised on the basis of the slogans which will be evolved by the Conference.

The experience has taught the Union that managements of Hotels whether they are small or big units were flouting the implementation of labour laws, awards, settlements and/or agreements. As a result it was suggested that Government should appoint a Committee of the Employers and Workers to consider the problem and suggest remedies to remove the grievances. Thus the Government appointed a Committee which held a number of sittings. In the end it came out with a procedure to redress the grievances and Draft Standing Orders. These Standing Orders were signed recently by the Employers' Association and the Workers' Unions in the industry.

There are over 10,000 workers in the Canteens attached to commercial and industrial establishments in the city. Though Hotel and Canteen workers are doing similar jobs, Canteen workers are excluded from the operation of Minimum Wages Act and Shops and Establishments Act. This is a great injustice done by the Government. When the statutory acts are not made applicable to the Canteen, the managements are taking advantage of the situation by paying low wages, denying leave and holidays and compelling the workers to put in long hours of work. Though it is true that because of the organised strength of Canteen workers under the leadership of Hotel Mazdoor Sabha, the Canteen workers have been able to defeat the mala fide tactics of managements, it is necessary that the Canteen workers also should be protected by legislation without delay and brought on par with Hotel workers.

The most non-cooperative and vindictive are the managements of Co-operative Societies running the Canteens in the city. A good number of Canteens are run by different Co-operative Societies the membership of which consists of Government Employees as in the case of Income Tax Department, Accountant Generals Office, Central Telegraph, Western and Central Railways, Bombay Telephones, etc. These employees while agitating for their own demands with the Government, refuse ordinary facilities to the Canteen workers. Under the pretext of "losses" managements of these Societies continuously refuse to concede wage rise, or any other facility. When the workers agitate, they either threaten to close down or resort to retrenchment. A recent case is the closure of Canteen run by the Co-operative Society of Income Tax Employees. The Canteen was closed down without prior notice to the workers, not to speak of any compensation to the workers. This action has caused unemployment to 60 workers — all of them young boys attending Night Schools to better

15.57 million kgs. There are also 45 Combers with 7 Woollen Mills capable of producing 3.2 million kgs.

(Note:—The difference between woollen and worsted branches of the Industry is that in the worsted process of preparing the raw wool for spinning only the long fibres are subjected to combing and the combed wool in the form of wool tops is spun into yarn. No combing is necessary on the woollen side where the shortest staple is spun utilising not only virgin wool but also rags. Worsted fabrics include shawls, serges, suitings and knitted goods whereas woollen fabrics include blankets, tweeds, meltons, flannels and blazers).

The State-wise distribution of spindles and looms at the beginning of the Second Plan was as under:—

Distribution of Spindles and Looms

<i>States</i>	<i>Woollen spindles.</i>	<i>Worsted spindles</i>	<i>Looms</i>
Punjab	20,402	25,182	2,558
Maharashtra and Gujarat	12,226	47,936	605
U.P.	12,358	9,672	368
Mysore	10,478	—	221
Saurashtra	2,130	7,032	84
Kashmir	1,542	1,500	181
			(now 172)
West Bengal	1,380	5,094	76
Madhya Bharat	516	—	20

In 1952 there were 34 composite woollen mills and 251 powerloom units, 18 of the mills were situated in Punjab, 5 in Maharashtra, 3 in West Bengal, 2 each in Gujarat, Mysore and U.P. and 1 each in Kashmir and Madhya Pradesh. All the powerloom units were in Punjab.

From the above we find that this industry is mainly situated in Punjab and Maharashtra. 75% of Weaving is done in Punjab. In Punjab the industry is concentrated in Amritsar and Ludhiana. Amritsar is the biggest Woollen Cloth Manufacturing Centre in India.

Report on Woollen Textile Industry in India

By

PARDHUMAN SINGH

*By Pardhuman Singh, General Secretary,
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The climatic conditions in India do not require a big Woollen Textile Industry. Only in some parts especially in the northern areas the need for woollen goods is felt. Here also the low purchasing power of the people and the high cost of Woollen goods inhibit the growth of this industry. Another inhibiting factor is the lack of long staple wool in this country.

Apart from the above this industry has made rapid progress since we gained independence in 1947 and especially in the Second and Third Plan periods.

I. Spinning and Weaving on Powerlooms

In 1947 we had 48,000 Woollen Spindles, 37,500 worsted spindles and 1,500 powerlooms; as against this we had at the end of the Second Plan period i.e. in 1961-62, 64,973 Woollen Spindles 1,24,664 worsted spindles and more than 4,000 looms. During this period production increased from 7.75 million kgs. of Woollen/Worsted Yarn and 11.10 million metres of cloth to 18.01 million kgs. of Woollen/Worsted Yarn and 18.28 million metres of cloth.

The targets for the Third Plan ending 1965-66 were 32 million metres of cloth and 23.6 million kgs. of Yarn. These targets have been nearly fulfilled. Thus we have an increase of nearly 300% in the installed capacity and in production in the 15 years of planning.

Apart from Spinning and Weaving, there was no wool combing plant in India at the beginning of the First Plan, but now we have 9 Wool Combing Units with a licensed capacity of

Apart from the above there was a carpet factory in Gwalior and 250 Carpet looms were operating in the Mysore State mainly in Bangalore.

At the end of the Second Plan the position as investigated in case of Kashmir by the Development Commissioner and in the rest of India according to 'Large Industrial Establishments' was as under :—

Kashmir : 13 Carpet Factories with 320 looms. 80 Cottage units with 400 looms.

Madras : 31 Registered Factories.

U.P. : 8 Registered Factories.

Maharashtra : 5 Registered Factories.

Punjab : 4 Registered Factories.

Mysore : 4 Registered Factories.

Rajasthan : 4 Registered Factories.

Andhra Pradesh : 3 Registered Factories.

Madhya Pradesh : 3 Registered Factories.

Among the woollen manufactures, carpets and other woollen floor coverings constitute the major group in exports. Total value of exports in 1960-61 was Rs. 4.8 crores; it was 4.3 crores in 1961-62.

IV. Hosiery

The most important centre of this branch of industry is Ludhiana (Punjab). According to 'Wealth of India', the first ever woollen hosiery factory started work in Ludhiana in 1884. In 1902 the Dhariwal Mills added a hosiery section.

The Industry expanded after 1928 and especially in 1932-33. During the Second World War the industry had to cater to Defence needs, hence it expanded further.

In 1951-52 it was estimated that 875 units manufactured woollen hosiery in the country. Out of these 805 were in Ludhiana, 30 in Amritsar, 8 in Jullundur, 15 in West Bengal, 10 in U.P., 5 in Bombay and 2 in Delhi. Besides these 4 big composite woollen mills viz. Cawnpore Woollen Mills, Kanpur, New Egerton Woollen Mills, Dhariwal, Raymond Wollen Mills, Bombay and Mahaluxmi Woollen Mills, Bombay had hosiery sections.

In the beginning of the Second Plan, according to survey undertaken by the Development Commissioner Small Scale Industries there were 908 woollen hosiery units in the country apart from hosiery section in the 4 above mentioned mills, out of which

II. Handlooms

Before the advent of powerlooms, Loos and pattsos, rough blankets and carpets were manufactured on handlooms in Maharashtra, Gujarat, Madras, Madhya Pradesh, Bihar, U.P. and Punjab. In Mysore and Himalayan regions e.g. Kulu superior wool was used for finer blankets and tweeds. Famous pashmina fabrics were made in Kashmir.

With the import of long staple Merino Wool, mill spun yarn has partly substituted the hand spun yarn in handlooms.

According to the report of the Village and Small-scale Industries Committee, the estimated production of wollen cloth in the cottage sector was 4.5 million yards at the beginning of the Second Plan when about 80,000 handlooms worked on wollens. The fly-shuttle looms numbering about 18,000 used mill spun yarn.

With the rapid growth of powerloom weaving and power spinning, this branch of industry declined and there was a considerable amount of idle capacity in this sector. To utilise this idle capacity the Government allowed a price preference in purchase of blankets etc., manufactured on handlooms and the All India Handloom Board provided assistance during the Second Plan period.

This industry mainly depends on Defence and Hospital orders from the Government. If there is a spurt in Government buying, there is a spurt of activity in this sector.

III. Woollen Carpets and Rugs

India achieved a high level of excellence in this field before the British. Originally this industry was in Central Asia and it came to India in the wake of the Afghans and the Turks. Because of intense exploitation by the British, the carpets made in India were cheaper than the Central Asian products. Because of the overseas demand for Indian carpets, factories were established mainly in Amritsar.

But as other industries, this industry also declined gradually.

At the time of independence, the size of the industry in three most important centres of carpet manufacture was as under:—

Mirzapur : 290 active and 62 idle carpet weaving looms
owned by 145 loom owners.

Srinagar : 5 Carpet factories.

Amritsar : 7 Carpet factories.

Hence the distribution of raw materials should be on the basis of actual use and there should be some stability in the policies of the Government in this respect. The changing policies harm the industry. Similarly the distribution of yarn is very defective. Hosiery units, small weaving units and small handloom units are the worst sufferers. Though the Government has controlled the prices of yarn through Woollen Yarn Prices Control Orders, these units do not get yarn at controlled rates and they have to pay black market prices. Even then they are at the mercy of spinners. The Government must evolve a fool-proof system by which yarn is distributed through a Government agency on the per loom basis.

III. Taxation Policy

The excise policy of the Government in case of the Woollen Textile industry has been ever changing and erratic. Especially the policy of giving exemption at first to 4-loom units and then to one-loom units has led to bifurcation of medium units. Anybody can see that a four-loom woollen unit is not cottage industry. This policy has led to disintegration of the industry and to reduction in the quality of goods manufactured.

Moreover the policy has been ever changing which has led to instability.

The Government should, therefore, have a stable policy and the policy of exemptions should be abolished.

The Workers : Their Struggles, Gains and Problems

Punjab :

The biggest concentration of installed capacity in this industry is in the Punjab; the biggest concentration of workers of this industry is therefore also in Punjab. The workers of the Woollen Textile Industry have waged glorious battles during the Third Five Year Plan period. These struggles have been fought on the questions of Minimum Wages, Dearness Allowance, Bonus, Gratuity, Grades and Scales, Paid Festival Holidays, Paid Casual and Sick Leave etc., and against retrenchment, lay off etc.

These struggles have taken the shape of Court struggles as also strikes in individual mills, as well as general strikes.

The biggest struggle in this period was fought on the question of Minimum Wages in 1965, along with workers of the Art Silk Industry. General strikes took place in Amritsar, Ludhiana

and Kharar on this question. Whereas 10,000 workers fought a 10-day struggle in Ludhiana, the 20,000 workers of Amritsar waged a glorious 53-day strike inspite of severe repression, the use of the D.I.R., full use of official machinery and all the onslaughts of the employers. The strike ended in a victory. The Minimum Wages notification was implemented in case of time-rated workers giving them a rise of Rs. 5|- to Rs. 40|- per month. In case of piece-rated workers the Government accepted the principle of minimum time rate unlinked with production for these workers and the matter was entrusted to a committee to work out the details. In the meantime these workers got 24% increase in rates of wages — a big increase indeed !

Also there was no victimisation, all the cases were withdrawn and 2,000 workers and leaders were released forthwith. The question of wages for the strike period was entrusted to a tripartite committee. It is still pending.

Due to war with Pakistan and now reorganisation of the State, these matters i.e. questions of minimum time-rate unlinked with production, wages for strike period etc., are still pending.

Fixing of the Minimum Wages by the State Government for various categories of the woollen industry for which the workers had been continuously agitating and struggling for the last 10 years was a big gain for the workers. These wages are given in Annexure 'A'. For the time-rated workers there was a gain of Rs. 5|- to Rs. 40|- p.m.; for piece-rated workers, time rate was fixed at the rate of Rs. 175|- p.m.

Other gains in this period.

1. Grades and Scales :— In nearly 20 medium and big units, grades and scales were fixed providing regular increments to time-rated workmen for 15 years. The grades fixed were :—

Unskilled	..	60-2-80-3-95.
Semi-Skilled 'A'	..	70-2-90-3-105.
Semi-Skilled 'B'	..	75-3-105-4-125.
Skilled 'A'	..	100-4-140-5-165.
Skilled 'B'	..	110-4-150-5-175.
Highly Skilled	..	150-8-230-10-250.

In view of the new minimum wages notification, these grades are being revised and now the grades are :

Unskilled	..	75-3-105-4-125.
Semi-Skilled 'A'	..	90-3-120-4-140.
Semi-Skilled 'B'	..	100-4-140-5-165.
Skilled 'A'	..	115-4-155-5-180.
Skilled 'B'	..	125-5-175-6-205.
Highly Skilled	..	175-6-235-7-270.

2. *Gratuity Schemes* :— In many units gratuity schemes have been introduced. Main features are :—

In case of death of the worker :	One month's basic wages per year of service.
In case of termination of services after 5 years service :	15 days' basic wages per year of service.
In case of being unfit to work due to old age or continuous ill health but after 15 years service :	One month's basic wages per year of service.

In some cases there are additional provisions :

- 1) On retirement at the age of 60 years. 15 days consolidated wages per year of service.
- 2) On resignation after 15 -do-

In a recent award of the Industrial Tribunal, gratuity at the rate of 15 days' consolidated wages is payable to a dismissed worker who has put in more than 5 years' service.

3. *Festival Holidays, Casual Leave and Sick Leave* :— In dozens of mills and factories the workers were able to secure six paid festival holidays, 7 days paid casual leaves and 7 days paid sick leaves in a year.

The facility became so widespread that the State Government has now enacted a legislation providing 7 paid festival holidays, seven days paid casual leave and 14 days half-paid sick leave for all registered factories. Unregistered factories already provide these holidays and leaves according to Shops and Commercial Establishments Act.

4. *Dearness Allowance* :— In most of the mills there were consolidated Wages. In some D.A. was separate. When the prices

rose exorbitantly during the Third Plan, the workers demanded and secured Dearness Allowance or rise in Dearness Allowance from Rs. 8|- to Rs. 12|- p.m.

5. *Bonus* :— In most of the medium and big Woollen Mills the workers have been able to secure bonus at the rate of 25 days' to 2½ months' consolidated wages.

During the Chinese and the Indo-Pak Conflicts.

The woollen workers of the Punjab along with their brothers in other industries played a glorious role during the Indo-Pak conflict. The workers joined in their hundreds the Home Guard and Civil Defence organisations. During the Chinese Aggression the workers gave one day's wages to the National Defence Fund. During Indo-Pak War, workers ran free canteens for the Army, donated blood etc. The workers increased production, kept their disputes pending and helped the Defence effort in every way.

Report on Cashew Industry

By

A. SHANTARAM PAI

All fruits have their seeds inside the fruit. But the Cashew fruit has its seed outside at the bottom of the bell shaped fruit. Unlike all other fruits Cashew fruit is unique. So also are the problems of the Cashewnut Industry.

In the modern industrial set-up in India, Cashewnut industry may not be very important but it has a very important place on the West Coast along the Arabian Sea from Mangalore to Trivandrum in the two states of Mysore and Kerala. Employment potential is great because very little machinery is involved in the process of manufacture of the finished product. It is unique because the entire labour force consists of women workers. It is a vital industry on the West Coast because, among the dollar earning products, Cashewnut holds a proud place.

The industry is mainly confined to Quilon, Calicut and Mangalore areas on the West Coast, where factories exist. In Sriakulam District in Andhra Pradesh and Ratnagiri District of Maharashtra, Cashewnut industry exists on a small scale and there are no organised factories. So the virtual monopoly of this industry is held by the Kerala State and the Mangalore area of the Mysore State. Kerala accounts for 85% of the industry and the rest is in the Mangalore area of the Mysore State.

The industry gets its supply of raw nuts both from within India as well as from the East African countries like Kenya, Mozambique and Zambia. The bulk of money of this industry flows into these two states and gets distributed among the cultivators as price of nuts, among the merchants as their share of profit and commission, among the workers as their share of wages and to the Central and state exchequers as Income-tax and Sales-tax etc.

The industry gives not only direct but also indirect employment to workers manufacturing packing cases and tin containers.

The Shell liquid (oil) is an important by-product and it has a wide demand in America and Japan.

Origin and Growth

Cashewnut is a delicacy with high nutritive value. It was never an item of nutmeat in the past. The kernel was extracted from the nut, raw or roasted and eaten by the people. Only by about 1925-30, certain enterprising people in Mangalore and Quilon conceived the idea of making an industry of it and marketing the kernels on a commercial scale.

This industry with its small beginning rose to prominence in about 1935 and especially in the forties. Absence of sales-tax and encouragement given by the then Travancore state government accounts for the rapid rise of this industry in Quilon area. In 1941 there was only one registered factory but by February 1953 the number of registered factories rose to 190. In Mangalore, factories were bigger and better organised with pucca buildings and their number was 12. In Quilon area the number of persons employed in all the factories was estimated at 65,000 and in Mangalore area 7,500. In Quilon area 6 employers owned about 85 factories among themselves. In Mangalore area 5 employers owned 10 factories.

Capital investment in the form of fixed assets is small. What is required is factory buildings. Machinery is used at two stages-roasting and drying. The main investment is on raw nuts. The proportion between the cost of raw materials and labour for every ton of kernels would be in the ratio of 20:3.

The processing of cashew is interesting. The nuts are soaked in water and taken to the roasting plant (or drums) where roasting and shell oil extraction takes place. After roasting they go to the centrifuge and then they are given for shelling. Shelling is done with a wooden mallet and the kernels are extracted whole or in pieces. They are then put in the drier and given for peeling the husk. Then they are graded. Then follows tin filling and vitapacking. Kernel is the main product and shell oil is the by-product.

Since the above-mentioned process involves manual work, each factory employs a large labour force mainly comprising of women workers.

The most disagreeable part of work is shelling. The workers are subjected to the risk of shell oil and blisters are seen

all over their hands and feet. Peeling work is more difficult because it requires care. The grading work is most skilful because only training gives the workers the knack of picking kernels of the correct size. Shelling, peeling and grading absorb the largest number of workers exclusively women. Hard jobs like carrying of bags etc., are done by the male workers who are very few in each factory. Shelling and peeling are paid by the piece-rate. Graders and other types of workers are paid by the time-rate. No Dearness allowance was paid till 1960. But since then D.A. is being paid in Kerala.

The workers are organised in Trade Unions. There are about 22 Trade Unions in this industry on the West Coast with affiliations to AITUC, INTUC and UTUC.

The industry has made steady progress in all these years as will be evident from the following tables :

		<i>Export</i>	
		<i>Kernels Value in (crores of Rupees)</i>	<i>Shell oil</i>
1939-40	.. ..	1.24	
1949-50	.. ..	5.60	
1951-52	.. ..	9.03	
1961	.. ..		Rs. 63,69,452
1962	.. ..	18.50	Rs. 65,84,051
1963	.. ..	21.76	Rs. 99,55,156
1964	.. ..	26.49	2.03

Import of Cashewnuts from East African countries and local production.

<i>Period</i>	<i>Import tons</i>	<i>Local tons</i>
1953	82,000	46,000
1954	66,100	51,000
1955	55,350	70,000
1956	71,457	55,000
1957	92,480	60,000

The number of countries to which Cashewnuts are exported has been on the increase. The monopoly of U.S.A. has been broken by the U.S.S.R. by making substantial purchases. Cashew-nut is exported to 35 countries of Asia, Africa, Europe and America. The state governments of Kerala, Mysore and Madras have given great assistance for the cultivation of raw nuts on plantation basis and Indian production has been on the increase in the course of the last few years of the Third Plan. The Industry has seen steady prosperity and made great progress and the latest figure of export in value is Rs. 33 crores. Though the industry has made progress the conditions of the workers are deplorable. The workers are sweated. Ordinary amenities are not available. In the entire industry the existing wages are paid as fixed by the Minimum Wages Committee. The wage rate has never gone above the level fixed by the Minimum Wages Committee even in a single case.

A socio-economic survey was conducted in Kerala. The survey covered 1,222 families from various taluks of Quilon District. The Minimum Wages Committee in Kerala in its report in 1952 has this to say on the earning of the workers.

“The condition of the house is an index of the prosperity or poverty of the worker concerned. The nature of the houses in which the workers live will be clear from the table given below. It analyses the distribution of 1,000 houses classified in terms of the types of walls and roofs. About fifty per cent of the houses have mud walls and 90 per cent are thatched.

<i>Walls</i>	<i>Total</i>	<i>Thatched</i>	<i>Tiled</i>
Plastered	54	44	10
Wood	20	20	—
Bricks	278	266	12
Mud	497	495	2
Thatties	151	151	—
	1,000		

“There are approximately 613 persons per 100 families. The age and sex composition of these 613 persons are shown in the table below. There is clearly a preponderance of females over males (1,205 females for every 1,000 males). The 1951 census has shown that for Quilon District there are 1,007 females per

1,000 males. The sex ratio in the working families is on the high side. A study of the age-groups shows that this abnormal ratio results from the great excess of females over males in the age group of 15-54. The sex ratio in this group is 1,268 females to 1,000 males. This points to one or other or a combination of both of two alternatives : (1) Males in the earning age group 15-54 have gone out in search of a livelihood or (2) females in the earning age group not directly connected with the family — may be distant relations — live in the household. It is believed that the second alternative is more probable. Cashew industry being predominantly 'manned' by women, distant relations or paying guests who came in search of work might be present on a fairly large scale in the families of workers.

<i>Age</i>	<i>Persons</i>	<i>Males</i>	<i>Females</i>
Below 5	97	47	50
5—14	137	62	75
15—24	137	58	79
25—54	201	91	110
55 and over	41	20	21
Total	613	278	335

It may not be out of place to point in this connection that the percentage of workers in the age group 15 to 54 is 55 and in other age groups 45. Thus more than half the inmates in the family belong to the age group of 15 to 54.

The percentage of literates is 26.4, the figure for males and females being 30.4 and 23.1 respectively. The recent Census has shown that 48.5 per cent are literate in the Quilon District; the corresponding figures for males and females being 57.6 and 39.5. The low literacy ratio among cashew workers calls for comment.

One of the reasons for the low literacy ratio may be the backwardness of the community from which the majority of workers are drawn. As has been pointed out elsewhere, the shelling section is mainly filled by agricultural labourers who belong mostly to scheduled castes and castes on the border line. The percentage of literacy in these communities is small. The reason for the same is that the youths of the community seldom attend schools. The unskilled work for which the boy or the girl gets paid whether within the factory or outside it is a relief to the parents whose earnings are meagre. Probably their

earning is an absolute necessity to keep the pot boiling. One does not know whether it is under-nourishment or over-statement of the age; but the fact remains that the committee during their itinerary met boys and girls who appeared to be below their teens working in the factories.

In the long run lack of education will prove detrimental to the progress of the community. The Committee, therefore, wish to draw the attention of the Trade Unions, the Employers, Adult education organisers, the Government and those sections of the public who take interest in social service to take up the question of liquidating illiteracy among the adults and promoting school going habits among the children. Also the provisions regarding the prohibition of child labour may be more strictly enforced."

The income in a cashewnut working class family is about Rs. 64 per mensem. The components of this income are shown in the table below :

SOURCE OF INCOME

<i>Earners</i>	<i>All</i>	<i>Cashew</i>	<i>Others</i>
Persons	2.91	1.81	1.10
Males	1.32	0.36	0.96
Females	1.59	1.45	0.14

INCOME PER WORKER (Rs.)

<i>Earners</i>	<i>All</i>	<i>Cashew</i>	<i>Others</i>
Persons	22.1	18.6	28.1
Males	28.13	25.11	29.15
Females	16.7	16.9	15.4
Average family income	64.2	33.2	31.0

SOURCE OF INCOME

<i>Earners</i>	<i>All</i>	<i>Cashew</i>	<i>Others</i>
Persons	100	517	48.3
Males	59.3	14.3	45.0
Females	40.6	57.4	3.3

An average family of 6.13 members consists of 2.91 earners and 3.22 non-earners. Almost 62 per cent of the earners were employed in cashewnut industry while the remaining 35 per cent had other means of livelihood. 52 per cent of the total income came from the cashewnut industry and the rest from other sources.

Thus even though 62 per cent of the earners were devoted to this industry, it brought in only 52 per cent of the total income. The table above gives the break-up of the income as percentage of total. Thus females contribute 41 per cent of income which is almost wholly from cashew industry. Males on the other hand bring in 59 per cent of the family income and this is earned mostly from other sources. The table below shows the average income per worker and the days of work and the average earnings.

<i>Occupation</i>	<i>Average No. of days of work</i>		<i>Average income per worker.</i>	
	<i>Males</i>	<i>Females</i>	<i>Males</i>	<i>Females</i>
Cashew	24	24	25-11-0	16-9-0
Others	22	19	22-15-0	15-4-0

This analysis clearly brings out the fact that the cashew industry is relatively more important to the female workers than to the male workers.

The burden of dependents on the earners in the family seriously affects the economy of the household. In the previous paragraph it has already been stated that in a family of 6.13 members only 2.91 are earners. Thus every 100 earners have to support 211 persons including themselves. The burden of dependency is therefore not great among the cashewnut workers.

There is however an indication of unemployment among them. In a household, total number of persons in the age group 15-54 is 3.38 and the number of earners is only 2.91. Thus 14 per cent of persons in the working age group 15 to 54 are unemployed. In respect of males, out of 1.49 in the age group 15 to 54 only 1.32 are employed which means that 11 per cent males are unemployed while among females, the percentage of the unemployed is 16.

Even though the family income according to the results of the investigation, is only Rs. 64.2 the monthly expenditure of the family is Rs. 73-14-0. This means a monthly deficit of Rs. 9-12-0. It is hard to believe that a working class family can consistently fall into debt to the extent of almost Rs. 10 a month. May be, this is made up by the small earnings of the boys and girls in the family or some of the indispensable items of expenditure are not incurred at all.

The expenditure pattern is shown in the table below :

	<i>Expenditure</i>	<i>Percentage</i>
Food ..	Rs. 50-14-0	68.8
Clothing ..	7- 0-0	9.5
Rent ..	2- 2-0	2.9
Fuel and light ..	13- 0-0	3.8
Miscellaneous ..	11- 1-0	15.0
Total ..	Rs. 73-14-0	100.0

Almost 69 per cent of the income is spent on food stuffs while 10 per cent is spent on clothing and 15 per cent on miscellaneous needs. It is obvious that the life based on such a distribution can only be one of hand to mouth existence."

(Minimum Wages Committee Report, 1952)

Family Budget Revision and Minimum Wages

Details concerning the family budget survey conducted by the Statistics Department and the family budget provided by the previous Committee are given in Appendix No. 8.

For the purpose of comparison the family budget as obtained from the survey, and as computed by the previous Committee are given below :

Family Budget

<i>Sl. No.</i>	<i>Item</i>	<i>Sample survey</i>	<i>Previous Committee</i>	<i>Present Committee</i>
		Rs.As.P.	Rs.As.P.	Rs.As.P.
1.	Food ..	50-14-0	93- 2-0	83-13-0
2.	Clothing ..	7- 0-0	9-14-0	9-14-0
3.	Rent or house maintenance	2- 2-0	2- 2-0	5- 0-0
4.	Fuel and Lighting	2-13-0	2-13-0	
5.	Miscellaneous ..	11- 1-0	11- 1-0	24-11-0
	Total ..	73-14-0	119- 0-0	123- 6-0

Thus the revised family expenditure is Rs. 123-6-0 at the cost of living index of 365. At the cost of living index of 200 it would be Rs. 67.534. At the index of 400 allowing for a neutralisation of 85 per cent for all points above 200 the family expenditure would be Rs. 125,171. This is the amount which must be earned by the earners in the family namely 1.32 males and 1.59 females. The earning members, males and females jointly, are equivalent to 3.57 females earners on the basis of the ratio 3:2, that is 3 women being taken as the equivalent of 2 men. Estimating the number of days of work as 25 days in the month, the daily wage of the woman worker has to be 140 naye paise if the income from the wages of the earning members is to be sufficient for covering the family expenditure; correspondingly the wage of a male worker has to be 210 naye paise.

The Committee therefore came to the conclusion that at the cost of living index of 400 the minimum wage of a woman worker has to be approximately 140 naye paise and that of a male worker approximately 210 naye paise."

(Minimum Wages Committee, 1959)

"Even for this hand to mouth existence there is a gap of Rs. 9-12-0 per month. This gap if allowed to continue will mean deterioration in the standards of life and health of the working class. The increasing indebtedness of the industrial working class will in the ultimate analysis lead to deterioration in industry with grave danger to national economy.

The discussion in Chapter II will bear out that the industry can afford to give at least a small percentage of rise in wages regard being had to the cost of production and the price of raw material.

In the Industrial Dispute No. 8 of 1124 between Messrs. Pierce Leslie & Co., Ltd., (Kundara) and their Workmen, the workmen demanded increase in wages. The industrial tribunal in their award kept open the question of the increase of wages and recommended that the Government order an enquiry into the matter on an industrywise basis. The Government in pursuance of the above recommendation appointed a Court of Enquiry but the same was withdrawn on the appointment of this Minimum Wages Committee. Under the circumstances detailed above the fixing of the minimum rates of wages for the Cashewnut Industry is important in the interests of the Industry."

(Minimum Wages Committee Report, 1952)

The position is much worse now. The Second Minimum Wages Committee appointed in 1959 carried forward the work of the 1952 Committee and collected the data. It found the average earnings of the workers in the Quilon area as follows :

	<i>Shelling</i>	<i>Peeling</i>	<i>Grading.</i>
	Rs.As.P.	Rs.As.P.	Rs.As.P.
Average for the industry as a whole	1- 0-7	0-13-9	1- 3-5

It further stated:

“Though the wages are said to be uniform, they are only uniform on a fictitious basis. Actually for the same wages there are different workloads in different factories and sometimes the variations are considerable. (Vide Appendix No. VII).

This Committee noted that in some factories the customary load is so high that workers are unable to complete the work assigned in the course of the day. Thus the earnings of the workers are pulled down to a level not intended by the previous Committee.”

(Minimum Wages Committee Report, 1959, page 11)

Apart from this, the worker's annual wages are adversely affected because work is not provided all through the year and lay-off without wages is resorted to. The following table gives the analysis of the information available with the Chief Inspector of Factories.

<i>Year</i>	<i>No. of factories which submitted annual returns</i>	<i>Total No. of days worked</i>	<i>Average</i>
1955	88	19,967	226
1956	70	14,840	212
1957	95	21,510	226
Average for the 3 years :			.. 222

From the above it is evident that work is provided only for 8 to 8½ months in a year. Rest of the period the workers have to fend for themselves without any help.

It is from this deplorable wage condition the Minimum Wages Committee in the year 1960 fixed the minimum wages. Besides the basic wages the Committee granted dearness allowance linked to Cost of Living Index.

Basic Wage

		<i>Piece-Rate</i>
Sheller	.. ..	9 paise per pound.
Peeler	.. ..	11 paise per pound.
		<i>Time Rate</i>
Grader	.. ..	140 paise per day.
Male Worker	.. ..	205 to 260 paise per day.

Over and above this, Dearness Allowance at the rate of 1 naya paise per day for every increase of 3 points in the Cost of Living Index above 400 for Quilon.

This Committee also made general recommendations, which are :—

- (1) The labour laws should be enforced more strictly by Government than at present.
- (2) Government should prohibit by suitable legislation the plucking of nuts before they are properly ripe.
- (3) Steps should be taken to persuade the Government of other States to introduce minimum wages in the cashew industry.
- (4) The Industrial Relations Committee for Cashew Industry for Quilon should be expanded and its scope widened so as to include within its purview the entire industry in the Kerala State.
- (5) The Government should adopt a more liberal policy for bringing about rapid expansion in the area of Cashewnut cultivation.
- (6) Government should follow in general a policy of restricting the establishment of new factories.

(Minimum Wages Committee Report, 1959, page 33)

In *Mysore State* the Government fixed the Minimum wages in July 1960 which are as under :

- | | | |
|-----------------|----|---------------------|
| 1) Shellers | .. | 9 paise per pound. |
| 2) Peelers | .. | 11 paise per pound. |
| 3) Graders | .. | Rs. 1.36 per day. |
| 4) Male Workers | .. | Rs. 2.30 per day. |

The above rates were made all inclusive and no separate Dearness allowance was granted in the Mysore State for Mangalore area. Thus the workers in Mangalore were at a greater disadvantage than their co-workers in Kerala State.

The worker's earnings are determined on the above — State Minimum Wage — rates even till to-day.

The Struggle :

The Cashew workers though women, have very militant traditions. They have fought great strike battles for improvement of their conditions of work and living. They fought for every little benefit which they enjoy at present. These struggles have been conducted by the AITUC Unions and those belonging to the UTUC.

Of the recent struggles, the strike conducted in 1960 July-August for the implementation of the recommendation of the Minimum Wages Committee to pay dearness allowance linked to Cost of Living Index in Kerala was most memorable.

It was jointly fought by all the Unions affiliated to AITUC, INTUC and UTUC involving about 65,000 workers. It lasted 27 days throughout the Quilon area where marvels of workers' heroism were shown by the workers.

The Minimum Wages Committee's recommendation was accepted by the Kerala Government and a notification was issued by it to pay D.A. linked to Cost of Living Index of Quilon. On the basis of figures for Quilon each worker would have got 25 paise as D.A. The Employers filed a writ in the High Court challenging the Minimum Wages Notification of the Government. The workers struck demanding implementation of the notification and payment of D.A. But, after 27 days the strike was withdrawn following a tri-partite agreement, reached. The Dearness allowance was fixed at 15 paise instead of 25 paise on the basis of the new formula. It was then raised to 25, 34 and 52 paise as from 1-1-1965 per worker per day. The Dearness Allowance now is paid on this basis.

Similarly in Mangalore area the workers carried on agitation for fixation of Minimum Wages. Mysore Government fixed Minimum Wages by notification in July 1960. The AITUC Union raised the demand for Dearness Allowance. The matter was referred to the Tribunal in the year 1963. The Tribunal awarded 50 paise flat rate of D.A. with effect from 21-8-1965.

The Employers filed a writ in the Mysore High Court challenging the award of the Industrial Tribunal. The 3,000 workers struck work from 13-10-1965 demanding implementation of the award and payment of D.A. The demand for payment of bonus as per Bonus Act was also made. The strike struggles lasted for about 5 months. Only 2 factories employing about 3,500 workers are paying D.A. now. The High Court has remanded the dispute back to the Tribunal for re-hearing. It is being heard again by the Industrial Tribunal. It was one of the glorious strikes and the longest one, in the history of Cashew Workers. Interim settlement has been reached.

The workers are conducting struggles for ensuring full guaranteed work, work throughout the year, adequate Dearness Allowance, payment of lay-off wages by declaration of Cashew factories as non-seasonal and other facilities. The Cashew workers are one of the well organised contingents of the Indian working class.

A Note on Iron & Steel

By

NIHAR MUKHERJEE

As against two major steel plants with aggregate output of 1.5 million tonnes, both in the private sector, at the beginning of the Second Plan, the iron and steel industry today comprises of six steel plants. Among these two are in the private sector-Tata Iron & Steel Co. Ltd., at Jamshedpur and Indian Iron & Steel Co. Ltd., at Burnpur. The public sector plants are at Bhilai, Rourkela and Durgapur under the Hindustan Steel Ltd., and at Bhadravati, under the Mysore Iron & Steel Ltd. An integrated steel plant under Bokaro Steel Ltd., in the public sector will join as a major unit of the industry soon.

To cater to the requirements in the field of alloy steel, hitherto solely dependent on imperialist sources, a plant with an initial capacity of one lakh tonnes of ingot with provision to expand ultimately to 300,000 tonnes is also being set up at Durgapur. The plant has already started supplying the badly needed special and alloy steels in the form of ingots and semis to various consuming industries and is expected to go into market for finished steels by the end of this year when the finishing mills will be commissioned one by one.

Excluding alloy steel project and the Bokaro plant, as per statement of accounts for the year 1963-64, the subscribed capital of the six plants was Rs. 470.11 crores, comprising Rs. 54.11 crores in the private sector and Rs. 416.00 crores in the public sector.

The loan capital of the industry was to the tune of Rs. 434.64 crores comprising Rs. 75.17 crores in the private sector and Rs. 360.47 crores in the public sector.

The total reserves with the steel plants amounted to Rs. 146.16 crores, — Rs. 145.41 crores in the private sector and Rs. 0.75 crores in the public sector in 1963-64. The latter figure represented the reserves of Mysore Iron and Steel Co. Ltd., and HSL had no reserve by that year.

The total capital employed in the industry including share capital, borrowings and reserves in Rs. 1051.91 crores, Rs. 274.69 crores in the private sector and Rs. 777.22 crores in the public sector.

The industry gives employment to over 1.30 lakh workers — 55,000 in the private sector and 75,000 in the public sector.

The estimated capacity of all the steel plants in 1963-64 was 6.03 million tonnes. Whereas capital employed per tonne of production figured at Rs. 1752 for the industry as a whole, for the private sector, it was Rs. 915 and public sector - Rs. 2560.

The targets fixed for the third five years plan were as follows:

			<i>million tonnes</i>
Bhilai	..	..	2.5
Durgapur	..	..	1.6
Rourkela	..	..	1.8
TISCO	..	..	2.0
IISCO	..	..	1.2
Mysore	..	..	0.1
			<hr/>
Total	..	..	9.2

At the end of 1963-64, production of ingots was:

			<i>million tonnes</i>
Bhilai	..	..	1.14
Durgapur	..	..	0.97
Rourkela	..	..	0.80
TISCO	..	..	1.89
IISCO	..	..	1.03
Mysore	..	..	0.48
			<hr/>
Total	..	..	6.31

Although there has been some improvement in realisation of production targets in recent years, it is patent that during the Third Plan period, the targets were not realised. This has been due to faulty planning and mismanagement.

Workers' Organisation

At the plant level, there are altogether 26 workers' organisations. Most of these unions belong to the Central trade union organisations. Rest are independent unions.

1. Jamshedpur .. (1) INTUC (Recognised)
(2) AITUC
2. Burnpur .. (1) INTUC (Recognised)
(2) AITUC
3. Bhilai .. (1) INTUC (Recognised)
(2) AITUC
(3) HMS
(4) UTUC
(5) 2 Independent Unions
4. Rourkela .. (1) INTUC (Recognised)
(2) AITUC
(3) HMS
(4) UTUC
5. Durgapur .. (1) INTUC (Recognised)
(2) Independent
(3) HMS (defunct)
(4) UTUC (defunct)
6. Bhadravati .. (1) INTUC
(2) HMS
7. H.S.L. Calcutta .. Independent union (recognised)
8. H.S.L., Ranchi .. Independent union (recognised)

Although the employers have recognised the INTUC unions in all the steel plants, it has been seen in action, that the majority of workers rally behind the AITUC unions during struggles relating to demands.

The independent unions of HSL employees at Ranchi and Calcutta are recognised and both the unions enjoy the confidence of the majority of employees.

At Durgapur, in Works Committee elections, the INTUC union was trounced by the candidates of the independent union, and the project management did not allow the works committee to function. Instead, elected members of the Works Committee were victimised. The non-functioning of the Works Committee in Durgapur has been criticised in a recent report of the Parliament's Committee on Public Undertakings.

In Rourkela, the HMS union defeated the INTUC union recently in the recent Works Committee elections. INTUC could not get a single seat but nevertheless, that union is recognised by the management.

Problems of the Movement

Apart from Jamshedpur and Burnpur, other steel plant unions are new. Not only the plants and unions are new, but the working force too comprises of young workers.

The AITUC and the National Federation of Metal and Engineering Workers directly helped the organisation of the workers' unions in the new plants from 1959 onwards. Immediately after the formation of the unions, the AITUC took the lead in demanding a Wage Board for Iron and Steel Industry and this wage board was constituted in 1962. The Wage Board gave two instalments of interim relief before finally fixing wages at 152 points in the all-India index (average of 1964) and recommending a sliding scale of D.A.

The Wage Board recommendations on wage structure were as follows:

Production and Maintenance

	Basic Wage		D.A.	Total	
	Women	Men		Women	Men
TISCO, } IISCO	51-2-71	61-2-71	64	115-135	125-135
HSL	70-1-81-2-85	80-2-90	45	115-130	125-135
MISL	55-2-75	65-2-75	50	105-125	115-125

Service and Outside Works

	Basic Wage		D.A.	Total	
	Women	Men		Women	Men
TISCO, } IISCO	51-1-85	56-2-66	64	115-130	120-130
HSL	70-71--2-75	72-2-85	45	115-130	120-130
MISL	54-2-70	60-2-70	50	104-120	110-120

An important recommendation of the Wage Board has been the linking of D.A. with the consumer price index numbers and D.A. revision is recommended every quarter. The variable D.A. is payable at 75 paise per point rise and in February this year, D.A. has been increased by Rs. 15 covering a rise of 20 points.

However, although the Wage Board recommended that D.A. should not be revised for the first six months of the new wage rates, the first additional D.A. has come only 10½ months after. The workers have therefore demanded that the D.A. should be paid with retrospective effect from October last year.

The recommendations of the Wage Board are far from satisfactory. Despite the fact that the Board had to deal with only six plants, it failed to standardise the rates of various trades. The gratuity scheme, already in vogue at Tata and Burnpur, was not recommended for public sector steel plants. The Board failed to recommend on the question of promotional policy nor anything about the extension of production bonus scheme to non-production staff which is a major dispute in all the plants. And, above all, the Board went by an "improved diet" for the purpose of wage fixation and not a balanced diet or the diet recommended by the Nutrition Advisory Committee in their recent report on the nutritional requirements of working class families.

In the public sector plants, trade union rights and democratic rights are denied. Inside the plants, workers who do not belong to the INTUC are denied the right of even representing grievances to the authorities. Elected bodies like Works Committees are not allowed to function.

The housing scheme has been executed in such a way that even today, not more than 50 per cent of the employees have been provided with quarters. Educational facilities too are most unsatisfactory.

The ghastly practice of victimising workers on the basis of police verification reports is continuing in the public sector plants.

A very acute problem has been that of the thousands of workers, most of whom are technical personnel, who were employed in constructing the steel plants and who have now been threatened with mass retrenchment. Under the impact of struggles. Government had earlier assured to start a National Construction Corporation to absorb all the workers employed in construction and expansion of the plants, guaranteeing them security of service. But this assurance has not been implemented.

Apart from agitation and struggles on general issues affecting all steel plant workers as on wages, D.A., bonus etc., there have been several struggles departmentwise in the different steel plants over sectional demands.

While the TISCO has paid bonus over and above the available surplus formula of the Payment of Bonus Act, the bonus dispute in IISCO is still pending a final settlement and the HSL plants have as yet paid no bonus.

Durgapur plant workers participated in the two Bengal Bandh actions recently, on March 10 and April 6. In Bhilai and the BSP mines, the struggle is still continuing over the mass retrenchment of expansion staff, bonus, D.A., etc.

The main demands of workers in the iron and steel industry are the following:

1. Revision of wages and fixation of need-based wages as per the norms laid down by the 15th Indian Labour Conference.
2. Standardisation of occupational nomenclature and rate structure.
3. Recognition of unions through ballot among workers.
4. Production bonus to all employees.
5. All the employees to be provided with quarters.
6. Free education, free transport.
7. Absorption of construction workers into the expanded works as regular cadre.
8. Abolition of the system of police verification.
9. Correction of Fraudulent consumer price indices.
10. Proper manning and line of promotion.
11. Proper allowance, lodging and education facilities for the trainees.
12. Scope for higher training through day and evening schools.
13. Unfettered trade union and democratic rights and removal of restrictions on holding meetings, etc., inside plant townships.
14. Proper safety devices.
15. Election of Committees as per statutory provisions and proper functioning of these committees.