

P. L. T. Register
29. AUG 1949Industrial and Labour Development in July, 1949.N.B.- Each Section of this Report may be taken out separately.Contents.File No.
Date:
Classified
to:
Pages.CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.11. Political Situation and Administrative Action:

Meeting of Labour Advisory Council, New Delhi, 25 July 1949: Fair Wages Committee's Report adopted.

1-2

CHAPTER 3. PROFESSIONAL ORGANISATIONS.31. Workers' Trade Union Movements:

- (a) Meeting of Working Committee of I.N.T.U.C., Delhi, 24 and 25 July, 1949: Organisation of Land Workers and Government Employees. 3-4
- (b) Asian Federation of Labour set up: Eight Countries to join. 4
- (c) New World Labour Federation formed: Indian Trade Union Leaders participate. 5
- (d) World Federation of Trade Unions to hold Conference of Asian Trade Union Congresses at Peiping. 5

CHAPTER 4. ECONOMIC QUESTIONS41. Industrial and Mining Production:

- (a) Manufacture of Boilers in India: Factory to be set up in West Bengal. 6
- (b) Pakistan: Advisory Council for Industries set up. 6

42. Production and Export of Agricultural Products:

Efforts to increase Food Production; Commissioner of Food appointed. 7

43. Foreign Trade and Exchanges:

- (a) India: Continuance of Protection to Sugar Industry: Tariff Board to undertake fuller Enquiry. 8
- (b) India: Committee appointed to recommend steps for increasing Exports. 9
- (c) ~~Regional~~ Supply of Commodities: Inter-Dominion Pact ratified. 10
- (d) Burma: Review of Foreign Trade during 1948-49. 11-2

44. Prices and Cost of Living:

Inquiry into Cost of Sugarcane Production; Technical Committee appointed.

13

	<u>Contents</u>	<u>Pages.</u>
45.	<u>Economic Development and Control:</u>	
	(a) Meeting of Central Advisory Council for Industries, New Delhi, 26-27 July 1949.	14-18
	(b) Road Transport in Provinces: Nationalisation proposed	18-19
46.	<u>Wages:</u>	
	(a) Bombay: Wage Trends in Processes relating to Wood, Stone and Glass during the period 1939-1947.	20
	(b) West Bengal: Advisory Committee appointed under Minimum Wages Act, 1948, for fixing Minimum Wages in Rice Mills.	20
	(c) Cochin: The Cochin Minimum Wages Act.	21
	(d) Ceylon: Lower Wages for Rubber Workers: Estate Employers' Federation's decision.	21
47.	<u>Reconstruction Plans:</u>	
	(a) Formation of Research Expansion Corporation: Scientific Council's Recommendation.	22-23
	(b) U.S. Planning Expert to advise Government of India.	25
48.	<u>Public Finance:</u>	
	Ceylon: Budget for 1949-50: Building Programmes to ensure Full Employment.	24-25
49.	<u>Rehabilitation.</u>	
	(a) 5 Million West Pakistan Refugees living in India: 290 Million Rupees spent on Relief Work.	26
	(b) Pakistan: Pakistan (Dealings in Immovable Evacuee Property) Ordinance, 1949 (No.XI of 1949).	27
	<u>CHAPTER 5. WORKING CONDITIONS.</u>	
52.	<u>Welfare and Workers' Leisure:</u>	
	(a) West Bengal: Coal Mines Labour Welfare Fund (Amendment) Act extended to Darjeeling District.	28
	(b) United Provinces: The Factories Welfare Officers' Rules, 1949.	28
56.	<u>Labour Administration:</u>	
	(a) West Bengal: Working of the Factories Act, 1934 during 1947.	29-30
	(b) Mysore: Annual Report of the Department of Labour for the year ended June 1948.	31-35

<u>Contents.</u>	<u>Pages.</u>
59. <u>General:</u>	
(a) India: Indian Mines Act, 1923: Exemptions.	34
(b) Hyderabad: Labour Conditions in Mines: Enquiry Committee's Recommendations.	34-35
(c) Burma: The Mines (Amendment) Act, 1949 (Act No.XL of 1949): Employment of Women and Children Underground prohibited.	35
CHAPTER 6. <u>GENERAL RIGHTS OF WORKERS.</u>	
63. <u>Individual Labour Contracts:</u>	
(a) Assam: The Industrial Employment (Standing Orders) Act extended to Excluded Areas.	36
(b) Bombay: Model Standing Orders for the Sugar Industry under the Bombay Industrial Relations Act, 1946.	36
65. <u>Collective Agreements.</u>	
Draft Industrial Statistics (Labour) Rules framed by Ajmer-Merwara, East Punjab, Bombay and Bihar Governments.	37
66. <u>Strike and Lockout Rights:</u>	
Bihar: Cotton Textile Industry declared Public Utility Service under Industrial Disputes Act, 1947.	38
67. <u>Conciliation and Arbitration:</u>	
(a) Improvement in Labour Situation: Fewer Industrial Disputes in First Five Months of 1949.	39-40
(b) Industrial Disputes in the Bombay Province during the year 1948.	40-41
(c) Central Provinces and Berar: Draft Amendments to the Central Provinces and Berar Industrial Disputes Rules, 1947: Functions of Works Committees defined.	42-43
(d) Assam: Industrial Disputes Act, 1947, extended to Excluded Areas.	43
CHAPTER 7. <u>EMPLOYMENT AND UNEMPLOYMENT.</u>	
71. <u>Organisation of the Labour Market:</u>	
(a) India: Employment in Perennial Factories during First Half of 1948.	44-46
(b) India: Employment Exchanges; Working during May, 1949.	46-49
(c) Central Provinces and Berar: <u>Badli</u> Labour in Textile Mills: Standing Committee recom- mends discontinuation.	50

iv

CONTENTS.

	<u>Pages.</u>
(d) United Provinces Scheme for Decasualisation of Labour: Report published.	50-52
73. <u>Migration and Colonisation:</u>	
Employment of Indian Skilled Labour in Malaya: Terms of Conditions agreed to by Singapore Indian Chamber of Commerce.	55
CHAPTER 8. <u>SOCIAL SECURITY.</u>	
81. <u>Social Insurance:</u>	
Madras: Working of the Workmen's Compensation Act, during 1948.	54-55
CHAPTER 9. <u>LIVING STANDARDS.</u>	
93. <u>Co-operation:</u>	
(a) Progress of Co-operative Movement in East Punjab: 74 New Societies formed during April 1949.	56
(b) Pakistan: Taluka Banks to replace Co-operative Societies; Sind Government's decision.	56
94. <u>Education:</u>	
(a) West Bengal: Gradual introduction of Free Basic Primary Education proposed.	57-58
(b) Delhi: Five-Year Social Education Scheme: Adults to be trained in villages.	58
CHAPTER 11. <u>PROBLEMS PECULIAR TO CERTAIN OCCUPATIONS OR CATEGORIES OF OCCUPATIONS.</u>	
III. <u>Agriculture:</u>	
(a) United Provinces: Zamindari Abolition and Land Reforms Bill referred to Joint Select Committee.	59
(b) United Provinces: The United Provinces Agricultural Tenants (Acquisition of Privileges) Bill, 1949, passed by Legislature.	59-60
(c) Report of the Orissa Land Laws Committee: Abolition of Intermediaries and Decentralisation of Land Revenue Administration recommended.	60-62
(d) Pakistan: Report of Muslim League Agrarian Reforms Committee: Abolition of Jagirs and Inams without Compensation suggested; Acquisition of private Land above a certain level favoured.	62-67

<u>Contents.</u>	<u>Pages.</u>
112. <u>Indigenous Workers:</u>	
Bihar: Committee appointed to prepare 5-year Plan for Harijan Uplift.	68
113. <u>Navigation.</u>	
(a) India: Directorate of Shipping set up.	69
(b) Report of the Sailing Vessels Committee: Organisation on an All-India Basis favoured.	69-71
117. <u>Shopworkers.</u>	
Bombay: Working of the Bombay Shops and Establishments Act 1959, during 1947	72-73
ii List of the more important publications received in the New Delhi Office during July 1949.	74

Chapter 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JULY 1949.

11. Political Situation and Administrative Action.

Meeting of Labour Advisory Council, New Delhi,
25 July 1949: Fair Wages Committee's Report
adopted.

A meeting of the Labour Advisory Council was held at New Delhi on 25 July 1949. Mr. S. Lall, Secretary to the Ministry of Labour, presided. The Council, after a brief discussion, unanimously adopted the report of the Committee on Fair Wages (vide paragraph 46, page 22 of the report of this Office for June 1949), but failed to reach an agreement on the profit-sharing scheme for workers.

Opening the proceedings, Mr. Lall said that neither on fair wages nor on profit-sharing had they the benefit of either an International Labour Convention or recommendation. Usually the Government of India's ~~work~~ task in undertaking legislation was somewhat simplified because there was an international model to work upon. Here there was no such model, and on making a reference to the International Labour Code one found that on wages so far there was very little in the conventions and recommendations that could serve as a guide to the Government. That only indicated that its difficulties were enormous. But because of these difficulties it was impossible for the Government to say that nothing could be done. As far back as December 1947, the industrial truce resolution was adopted after a meeting attended by employers, workers and Government representatives. After the passing of that resolution, all parties decided to implement that resolution, and now something at least must be done to bring about some agreement between the parties.

Declaring that economic development in the country was being held up to-day and that both labour and employers were in an equally vulnerable position, Mr. Lall said, that the State could, of course, take ~~up~~ industry. But that would not improve the situation. ~~Already there were~~ Mr. Lall emphasised that a fair wage was desirable. A fair wage was only possible if there was a fair work load. He hoped that a spirit of compromise would prevail during the discussions and that the Council could show both to the people and the Government that both sides of the industry were contributing to and not holding up the economic development of the country.

The Council unanimously adopted the report of the Committee on Fair Wages.

As regards the question of profit-sharing, Mr. Shri Ram, speaking for employers, said that while employers were not going to revoke the decision they had taken last September when they subscribed to the profit-sharing scheme, they desired to point out that the scheme was ~~linked~~ linked with the problem of increased production. This was the basis of the industrial truce resolution and as today production had not increased, the scheme could not be enforced. He suggested another truce whereby an agreement should be arrived at to produce goods within the purchasing power of the consumer and increase ~~in~~ the exports of the country.

Mr. S.P. Jain, another employer, felt there were insuperable difficulties in the application of the profit-sharing scheme which would, in his opinion, only increase labour disputes. Other employers' representatives, supporting Mr. Shri Ram's view, argued that the economic situation in the country had changed, that industry was dwindling, and that money was required for formation of capital reserves. They pointed out that as a result of fair wages, which included many new items not originally envisaged, industry would not expand and would create more unemployment in the country.

Mr. Ashok Mehta, General Secretary of the Hind Mazdoor Sabha, speaking on behalf of the workers, said that the only way to put a halt to the demand of workers was for employers "to take the latter into their confidence". This confidence, he felt, could be gained by evolving a scheme of profit-sharing where both workers and employers would sit together and realize each other's difficulties. So long as employers did not care to reveal their true state of affairs, suspicion and unreasonable demands would persist.

As the Council could not reach an agreement the meeting was dissolved.

(The Hindustan Times, 26-7-1949).

3

CHAPTER 3. PROFESSIONAL ORGANISATIONS.

INDIA - JULY 1949.

31. Workers' Trade Union Movements.

Meeting of Working Committee of I.N.T.U.C., Delhi,
24 and 25 July, 1949: Organisation of Land Workers
and Government Employees.

The Working Committee of the Indian National Trade Union Congress, at a meeting held in New Delhi on 24 and 25 July 1949, decided to organise trade unions of the landless agricultural workers and the non-manual clerical staff of the Central and provincial Governments. The Committee also adopted a resolution expressing "deep concern" over the "recent serious trends" in India's economy and calling upon the Government to take measures to reduce the existing price level by at least 50 per cent before the end of the current financial year.

The task of organising agricultural labour involves over 150 million of working people whose nature of employment and terms of wages vary widely. The Committee directed its provincial branches to immediately take up the cause of the rural population, the landless workers particularly, and organise them in cooperation and collaboration with Congress committees already functioning in many of the rural areas.

As regards "white collared workers" the Committee, for the time being, left out Delhi from its programme of activity, and directed its branches to concentrate in Calcutta, Bombay, Madras, Ahmedabad and the United Provinces in general. The I.N.T.U.C.'s decision to work among the Governments' clerical staff, it is understood, ~~also~~ raises an important issue, relating to Government servants' conduct, which the I.N.T.U.C. is soon likely to take up with the Central Government. Government servants, under the existing rules, are not authorized to form a trade union and agitate for redress of their grievances. They may, however, belong to officially recognized associations which might move the Government through "proper channels" for the amelioration of legitimate grievances of its members.

The resolution on the economic situation pointed out that on the one hand there was alarmist propaganda by vested interests of a glut in production in some sections of industries, while, on the other, prices of essential commodities did not show any tendency of falling. Recent notices of closure in some textile mills, ~~and~~

unemployment in the jute industry and retrenchment actually effected or contemplated in various sectors of national production, not only ran counter to the policy of accelerating production, but were a violation of the industrial truce. The Committee urged the Government to assume necessary powers to intervene in all cases of mismanagement and curtailment of production.

In the opinion of the Committee, the failure of the Government to bring down the cost of living index, as promised from time to time, had been aggravating the situation further. It therefore, specifically urged upon the Government to evolve its price policy in such a way that the existing price index was brought down by at least 30 per cent in the first instance before the current financial year has completed. If the present situation was allowed to continue without any tangible and speedy improvement, the Committee felt that the whole basis of industrial truce would be very seriously disturbed to the detriment, not only of the working class, but the nation as a whole.

(The Hindustan Times; 24-7-1949;
The Statesman, 25-7-1949).

Asian Federation of Labour set up:
Eight Countries to join.

Labour leaders from eight Asian countries formally resolved at a meeting held in Geneva on 19 June 1949, to set up an Asian Federation of Labour, the first regional labour grouping of such a size (vide paragraph 51, pages 6-7 of the report of this Office for May 1949). Workers' representatives from Israel, Syria, Burma, Ceylon, Afghanistan and Siam, are also expected to join the Federation while Australian labour leaders have been asked to examine the question of joining.

The leaders, who voted the authority of their national organisations, came from India, Pakistan, China, Japan, Iran, Turkey, Philippines and Indonesia.

Objects.- The main objectives of the Federation will be: to protect Asian countries against a return of foreign exploitation; to raise the living standards of Asian workers by increasing national incomes; to fight the "Communist menace"; and to make the voice of Asian workers heard at international conferences, at present dominated by European countries and the United States.

Executive ~~Committee~~ ~~from the Federation~~ Committee.- A provisional executive committee of the Federation was nominated, with one representative from the smaller countries and two from the others. Mr. Deven Sen and Mr. H. Shastri, General Secretary of the Indian National Trade Union Congress were appointed India's representatives.

Pakistan dissociates from the Federation.- The Pakistani trade union leaders in a statement issued to the press on 28 June dissociated workers' organisations from Pakistan from the Federation as they felt that the Federation was not truly representative of Asian working classes. (The Statesman, 20 and 30-6-1949).

New World Labour Federation Formed: Indian
Trade Union Leaders participate.

Indian Trade Union representatives were among labour leaders from 36 countries and areas who at a conference held at Geneva on 25 and 26 June, 1949, decided to form a new non-communist international trade union organisation. The new organisation, to be formally established within six months, will rival the World Federation of Trade Unions.

The meeting nominated a 14-man committee which included Mr. Deven Sen of the Indian National Trade Union Congress, to draw up the constitution of the Organisation.

(The Statesman, 28-6-1949).

World Federation of Trade Unions to hold
Conference of Asian Trade Union Congresses
at Peiping.

At a meeting of the World Federation of Trade Unions held at Milan during the first half of July 1949, it was decided to hold a conference of Asian Trade Union Congresses at Peiping later this year.

According to the Chinese delegate to the World Federation of Trade Unions Congress the objects of such a conference should be: (1) to work out concrete measures for improving the social and economic conditions of Asian workers; (2) to work out measures for strengthening organisation contacts between the World Federation of Trade Unions and Asian unions; (3) the establishment of an Asian Liaison Bureau of the World Federation of Trade Unions; and (4) to secure measures to help trade unionists under repression and defence rights for Asian workers.

~~(The Hindustan Times, 11-7-1949)~~

(The Hindustan Times, 11-7-1949).

6

CHAPTER 4. ECONOMIC QUESTIONS.

INDIA - JULY 1949.

41. Industrial and Mining Production.

Manufacture of Boilers in India: Factory to be set up in West Bengal.

On 18 July 1949 the House of Birlas announced that an agreement has been concluded with the associated company in India of the British firm, Babcock and Wilcock, for the manufacture of boilers in India. The agreement provides for technical assistance and advice and the training of Indian personnel in the manufacture of smoke ~~the~~ tube boilers and ancillary plant.

A boiler factory is now under construction at Agarpara, near Calcutta, and is expected to be equipped with boilermaking machinery. The factory, in the initial stage, will cover an area of about 47,000 square feet.

(The Statesman, 19-7-1949).

Pakistan: Advisory Council for Industries set up.

The Government of Pakistan, which, consequent upon the passing of the Federal Control of Industries Act (vide paragraph 45, pages 23 of the report of this Office for April 1949), has assumed direct responsibility for the development of 27 industries, has set up an Advisory Council of Industries under the chairmanship of the Minister for Industries, with representatives of the Central, provincial and States Governments and of trade and labour.

The functions of the Council will be to advise the Government on targets, location and size of industrial units, industrial policy and allocation of raw materials which are difficult to obtain; to review production of the major industries and to advise the Government on steps to be taken to secure the best use of existing capacity; to advise the Government on import of capital equipment and raw material needed by industry and to deal with specific problems which might be placed before the Council by the Government.

The Advisory Council will consist of 77 members.

The Government has also decided to set up an executive committee of 15 members, six of whom will be non-officials with the Secretary, Ministry of Education and Industries, as chairman - for the purpose of implementing the Council's decisions.

(The Civil and Military Gazette, 9-7-1949).

7

42. Production and Export of Agricultural Products.

India - July 1949.

Efforts to Increase Food Production: Commissioner of Food appointed.

In order to implement its decision that the import of foodstuff should be discontinued ~~with~~ after 1951, the Government of India has decided to ~~now~~ treat the ~~current~~ food situation on a 'war emergency' basis and has created the post of a Food Commissioner at the Centre with special and extraordinary power. Mr. R.K. Patil has been appointed to the post.

A special emergency branch under the control of the Commissioner will be set up in the Ministry of Agriculture which will take over the functions of the present sections of the Ministry concerned in food production. The Commissioner will deal directly with the Minister of Agriculture and will have powers to take final decisions. The Commissioner will deal directly with similar executive set-up in provinces and States. He may address the provincial and State Governments direct. The principal functions of the Food Commissioner will be five. He will initiate all measures necessary for co-ordinating and revising the food plans of provinces and States from time to time in the light of actual achievement. He can sanction grants and loans for food production schemes put up by provinces and States. He can make available to provinces and States controlled materials and other resources of production. He is empowered to secure the necessary priority of movement of materials for timely implementation of provincial and State plans. Generally, he will take all steps for increasing food production with a view to stopping import of foodgrains by the end of 1951.

The Food Production Board, which will assist him in the implementation of food self-sufficiency programmes, will include himself as the chairman, the Director of Intensive Cultivation, the Director of Land Reclamation, the Director of Irrigation, a representative of the Ministry of Transport a representative of the Ministry of Industry, the Economic and Statistical Advisor to the Ministry of Agriculture, Ex Financial Adviser attached to the Ministry of Agriculture and the Secretary to the Board. The Board can invite ~~xxx~~ to its meetings, whenever necessary, experts such as Directors of Agriculture and Fisheries and heads of institutes or organisations concerned with food production. It will meet as often as necessary and at least once a week.

The Commissioner will have a blocked grant placed at ~~his~~ disposal for giving subsidy to the provinces and States for approved schemes of production.

(The Statesman, 24-7-1949).

8

43. Foreign Trade and Exchanges.

India - July 1949.

India: Continuance of Protection to Sugar Industry: Tariff Board to undertake fuller Enquiry.

The Government of India has decided to have a further enquiry made on the continuance of existing protection to^{the} sugar industry, in accordance with the recommendations of the Tariff Board (vide paragraph 43; pages 28-29 of the report of this Office for April 1949). The enquiry will be undertaken by the Tariff Board.

The Board has been asked to enquire into and report not later than the end of December, 1949, whether the sugar industry will require and should be granted protection after the end of March 1950 and if so, for what period, to what extent, on what basis and subject to what conditions, such conditions including the rationalisation of cultivation of sugarcane as well as of manufacture of sugar, fixation and control of prices of sugarcane and sugar and other ancillary matters such as the relation between the sugar industry on the one hand and the gur and the khandsari industries on the other, labour conditions and State assistance to the industry. The question whether any quantitative limit to production should also be imposed ~~should~~ should be considered having regard to the necessity for national self-sufficiency, the advantages arising from having an export market in sugar, the effective utilisation of by-products and the industrial and other advantages.

(The Gazette of India, Extraordinary,
dated 1 July 1949, pages 1157-1158).

India: Committee appointed to recommend
Steps for increasing Exports.

A resolution issued by the Commerce Ministry states that the Government of India has viewed with great concern the unfavourable balance of trade position of India and is considering ways and means to achieve a balance between exports and imports. With this end in view, it has decided to appoint a committee to make recommendations for stepping up exports. The committee consists of 10 members with Mr. A.D. Gorwalla as chairman.

The terms of reference of the committee will be the following:-

- (1) To make recommendations as to the measures to be adopted for stepping up exports so as to achieve balanced trade, with particular reference to exports to hard currency countries;
- (2) To examine impediments in the way of increased exports particularly price, quality and licensing mechanism, and to suggest what should be done to remedy the situation;
- and (3) To make recommendations on any other matter relevant to the main subject of promotion of export trade.

The committee has been asked to make its recommendations before 15 September 1949. It may also submit interim recommendations where it finds that immediate action is called for and can be taken without waiting for the full report.

(The Gazette of India, Extraordinary,
dated 9 July 1949, pages 1220-1221).

Mutual Supply of Commodities: Inter-Dominion
Fact ratified.

The Government of India and Pakistan have ratified the trade agreement signed between them on 24 June 1949 at Karachi for the mutual supply of certain essential commodities in 1949-50. The agreement will be in force for a year from 1 July 1949.

Under the agreement, the Government of Pakistan has agreed to export to India five items - 450,000 bales of cotton; 2,700,000 pieces of hides and skin; 4,000,000 bales of raw jute; 15,000 tons of rape and mustard seed; and 2,000,000 maunds of rock salt. (1 maund = approx 82 lbs)

India will supply 25 items - 150,000 bales of millmade cloth; 100,000 bales of cotton yarn; 150,000 yards of canvas; 2,040,000 tons of coal; 50,000 tons of jute manufactures; 5,670 tons of chemicals; 71,000 tons of edible vegetable oils, including vanaspati; 2,500 tons of paints and varnishes; 6,000 tons of linseed oil; 10,000 tons of hardwood; 2,500 tons of bauxite; 2,000,000 maunds of sea salt; 64,000 tons of steel; 16,000 tons of pig iron; 500 tons of electrical steel sheets; 7,500,000 cubic feet of pitching stone and ballast; 5,000 tons of washing soap; 2,500 tons of asbestos cement; 2,000,000 lb of tobacco; 2,000 tons of myrobalans; 100 tons of ferro-silicon; 100 tons of ferro-manganese; and 250,000 rupees worth of railway stores.

The two Governments have also agreed to grant export and import licences at least up to the ~~quantitative~~ quantitative or monetary limits for the commodities to be supplied under the agreement. The schedules containing the list of articles may be altered, extended or supplemented by mutual agreement during the time the agreement is in force. Both countries have undertaken not to re-export to any other country any commodity obtained from each other in the form in which it was imported.

(The Statesman, dated 1-7-1949).

11

Burma: Review of Foreign Trade during
1948-1949.

According to the annual report of the Commercial-Secretary, Indian Embassy, Rangoon, for the year 1948-49, the economy of Burma in 1948-49 was greatly affected by unsettled internal political conditions. The Government was making vigorous efforts to improve agricultural production by increasing the acreage under cultivation. The rice crop estimate for 1948-49 was about 5 million tons, slightly less than in the previous year. Both internal and foreign trade of Burma were similarly handicapped. In the external trade, India continued to be the largest customer and supplier. ~~The Government of Burma was making a determined effort to increase the area under cultivation.~~ Under a scheme prepared by the Agriculture Advisory Board, it proposed to make advances to cultivators for the purchase of ploughs, cattle, seeds, etc. The rice crop forecast for 1948-49 was 5.8 million tons; which was less than in the previous year by 120,000 tons. Exports of rice during the first two months of 1949 amounted to 280,426 tons and in March they were expected to be of the order of 200,000 tons. For 1948-49 the estimated production of cotton, sesamum, and groundnut were 8,000 tons, 42,500 tons and 145,000 tons, respectively. In 1948, 7,450 tons of refined lead and 450,000 ounces of refined silver were produced. The oil industry was not yet completely rehabilitated.

Import restriction.- Under the import restrictions in force in Burma goods were classified as: (a) those which were ~~absolutely~~ absolutely essential for Burma, (b) those which were semi-luxuries and could not be strictly regarded as absolutely essential, and (c) those which were luxuries and thus non-essential. The policy of the Government of Burma was to issue import licences rather freely, but not exceeding the pre-war level, in respect of goods falling under (a); for goods falling under (b) ~~where~~ a monetary limit was fixed for each commodity. For those under (c) imports were altogether prohibited. The Government of Burma, in order to bring down commodity prices, decided to issue licences on a more liberal scale during 1949. The foreign exchange quota for import of goods has been increased from 120 million rupees to 250 million rupees. It has also been decided to allow import of certain luxury goods which were hitherto prohibited. As a further step towards liberalisation, the Government transferred some of the articles like silk and artificial silk fabrics, woollen fabrics, perfumery, toilet requisites, sandalwood and dry fish from the completely prohibited to the restricted list. Imports of onions and chillies which had been prohibited earlier is now allowed.

India biggest supplier:- According to statistics available for the year 1946-47 (October-September), imports of private merchandise amounted to 329 million rupees of which India's share was 121.4 million rupees. India was Burma's largest supplier of imports closely ~~followed~~ followed by the United Kingdom with 116.5 million rupees. Exports from Burma by sea during 1946-47 were valued at 455 million rupees, of which India's share was 202 million rupees. India was Burma's best customer. Exports to Federated Malaya and ^{State} Settlements amounted to 61 million rupees and to the United Kingdom 52 million rupees.

The trade statistics for the port of Rangoon for the period October 1948 to March 1949, showed that India was Burma's largest customer and supplier. Imports from India amounted to 30 million rupees, while ^{the total} from all other countries ~~they~~ were valued at 82 million rupees. Imports of cotton piecegoods from India totalled 39.9 million yards valued at 6.0 million rupees, while imports from all other countries were 64.2 million yards valued at 10.7 million rupees. Burma's exports through Rangoon to India for the above six-months period were valued 67 million rupees which compared with 129 million rupees to all other countries. Exports of rice to India amounted 106,316 tons valued at 45.1 million rupees while exports of the same to all other countries were 242,966 tons valued at 106 million rupees. Exports of teak wood to India were valued at 13 million rupees, as compared with 7.1 million rupees to all other countries.

(Journal of the Indian Merchants' Chamber, July, 1949).

44. Prices and Cost of Living.

India - July 1949.

Inquiry into Cost of Sugarcane Production:
Technical Committee appointed.

The Government of India has appointed a technical committee, under the chairmanship of Mr. T. Vijayaraghava-charya, to inquire into the cost of ~~sugarcane~~ production of sugarcane in different parts of the country.

The committee will also review the progress of cane research and development, and suggest ways and means to achieve quicker results for increasing the yield of sugarcane per acre and the sugar contents of cane, with a view to ultimately reducing the cost of production of sugar.

The committee is expected to complete its investigation and inquiries and submit a report to the Government in about two months.

(The Hindustan Times, 16-7-1949).

14

45. Economic Development and Control.

India - July 1949.

Meeting of Central Advisory Council for
Industries, New Delhi, 26-27 July
1949.

A meeting of the Central Advisory Council for Industries was held at New Delhi on 26-27 July 1949. Dr. Syama Prasad Mookerjee, Minister for Industry and Supply, presided. The Council, among other matters, recommended the setting up of two committees, the first to deal with important problems of production and accumulation of stocks, and the second to examine causes for decline in investment in industry. It further emphasised the need for a well planned programme of economic expansion and industrial reorganisation and suggested that a special committee or committees should be appointed to study the problem, with the assistance of such technical experts as may be necessary.

Dr. Mookerjee's address: Upward trend in production during first half of 1949.— Dr. Mookerjee, reviewing the production position during 1948, said that despite the unsatisfactory economic situation as reflected by rising prices on the one hand and the continued drying up of investment, the year 1948 had witnessed a definite, though ~~was~~ modest, increase in industrial production on all fronts. This was made possible by, among ~~with~~ other things, some improvement in transport and employer-labour relations, by larger supply of raw materials and of coal and industrial oils. Measured by the value of manufacture, cotton and jute textiles formed about half of the organised industries. Unfortunately, both these industries were facing a crisis mainly owing to the cutting off of old sources of supplies of raw fibre which now lay in Pakistan. Nevertheless, during the half year January-June 1949, production had on the whole been somewhat better than during the corresponding period of 1948. ~~Particulars~~ There had been a distinct improvement in cement, alloys, and manufactures and semi-manufactures of non-ferrous metals

ceramics, commercial plywood and machine tools. There had been a little, but welcome, increase in steel and paper. But bleaching power, soda ash, and cloth had registered a slight fall. If the whole season was taken into account, as it must be, there might be a slight fall in the production of salt also, although Government factories have recorded a substantial increase. With ^{the} ~~their~~ help, the Government would go into the specific causes of these and try to remove impediments.

Council

Balance of payments: Need for increased exports.-

Referring to the difficult balance of payments position Mr. Mookerjee said that the situation had been caused in part by a considerable increase in imports during the last nine months. He did not wish to underrate this factor, but one was apt to forget particularly in view of the difficulties caused in certain specific cases, that India had imported during the last one year machinery worth about 800 million rupees, that larger supply of raw materials was arranged for and that in many cases the consumer, particularly the hardpressed middle-class consumer got a much-desired relief. As a short-term measure a cut in imports was the only way to correct the balance of payments position. As a long-term remedy, however, such a course was both difficult and undesirable. The only correct long-term remedy was to increase exports by removing the causes which had led to their decline. To aim only at importing what one could was a ~~policy~~ ^{policy} of despair and defeat. The ~~main~~ aim must be to export what was necessary ^{for} importing what was needed. This change in the situation was not extraordinary and indeed should have been expected. Even a year ago, the gap between production and supply on the one hand and demand on the other was so great that the sale or consumption of increased production presented no problem at all. But the steady, though slow, increase in production reinforced in many cases by increased supplies by import has led to the satisfaction of many urgent and pent-up demands. In a sense, therefore, the present situation was nearer normal conditions. Any change in conditions, even though it be from an abnormal to a normal state, was bound to create transitional problems. Industry had now to attempt not merely to produce ~~of~~ things that people wanted, ^{but also} to improve quality and pay more attention to the tastes and purchasing power of the consumer. The improvement of quality and efficiency of production with a view to lowering cost ~~s~~ had therefore become as important as increase in production. Such an adjustment was necessary as it ~~was~~ unavoidable.

Closure of cloth mills.- Referring to the closure of various textile mills, Dr. Mookerjee said that accumulation of stocks in mills were due to temporary and transient causes, such as local failures of transport, seasonal variations of demand, poor quality of goods produced, want of finance, bad management and even some defects in the working of the control machinery. Most of these causes were ascertainable and remediable. It was the intention of the Central Government to investigate the specific causes of closure in each case and whenever possible, apply the necessary specific remedies.

16

Answering criticisms of the Government's Industries Bill (vide paragraph 45, pages 42-43 of the report of this Office for April 1949), Dr. Mookerjee said that it was becoming more and more evident that without an all-India policy of development and regulation, industry would be unable to prosper in this country. The object of the Bill was not to harass industrialists; on the other hand it sought to create conditions which would enable the Government, industry and labour to play their parts in an atmosphere of harmony and understanding for achieving national prosperity.

Dr. Mookerjee referred to the signs of growing responsibility in labour ranks and claimed that the main spirit of the industrial truce resolution of 1947 had borne satisfactory result. Industry and labour must realise the gravity of the present situation and readjust the relationship accordingly.

In conclusion, Dr. Mookerjee said that the Government laid considerable stress on the progressive development of cottage and small-scale industries. This could be done in accordance with well coordinated but decentralized schemes. This, more than anything else, would help it in tackling the growing menace of unemployment, especially among the middle classes. It had requested provincial Governments to pay special attention to this problem.

During discussions, representatives of both labour and industrialists agreed on the need for increased production, but widely differed in their approach to the problem. Labour members complained of unwillingness on the part of industrialists to take workers into their confidence, without which, they maintained, the full co-operation of employees would not be forthcoming. They unanimously welcomed the Industries Bill as a step in the right direction and, to strengthen their argument in its favour, mentioned alleged mismanagement in textile, shipping and other industries. They met the argument for reduction in wages to bring down the cost of production with a counter proposal for slashing industrialists' profits. They pledged workers' support for the rehabilitation of the country's industrial economy.

Employers criticised the Industries Bill which, they said, had destroyed whatever good the Prime Minister's last statement on the Government's policy regarding nationalisation of industries did by restoring the confidence of industrialists, (vide paragraph 55, pages 10-17 of the report of this Office for March 1949). They thought the Government was not competent and had not the special knowledge necessary to exercise the special powers sought to ~~xxxx~~ under the proposed legislation. They quoted figures as proof of the growing increase in the wage bills and suggested some adjustment with the object of reducing the cost of production - a deterrent to India's export trade. Labour was attacked for its "unhelpful" attitude demonstrated by strikes and "go slow" tactics. They asked for more control by the Centre over provinces in industrial ~~xxxx~~ and commercial matters.

17

Decisions.- The Council appointed two expert committees to deal with the problems of production and of accumulation of stocks, and to examine the causes for the decline in investment in industry.

The Council also adopted a programme for the stimulation of investment in industries based largely on the recommendations of the expert committee on investment headed by Sir Ardoshir Dalal.

The Committee has recommended that the Government should review its taxation policy and readjust it in such a way as to make it possible for investors to invest more in industry without redistributing the burden of taxation to the disadvantage of the poor and middle classes. The Government should reconsider sympathetically the suggestion to calculate depreciation on the replacement value of plant and machinery, which has gone up by more than 200 per cent. It has suggested that immediate measures should be taken to bring down the prices of foodgrains and agricultural products as well as the prices of industrial products, particularly those in demand by the common people, and thus help reduce the cost of living. Wages must be adjusted accordingly. The committee attached great importance to this recommendation as it was considered the only means of increasing the capacity to save that class of the community from whom the bulk of investment had come in the past.

To improve the channels of investment, the committee suggested that the Government should take immediate steps by means of legislation to reform stock exchanges so as to eliminate unhealthy speculation. Measures should simultaneously be taken to enable the Government to prevent abuse of functions by managing agents. To inculcate the habit of saving and investment among the agricultural and the upper wage earning classes, the small savings campaign should be intensified. The committee commended a suggestion that the Reserve Bank should select five or six leading commercial banks and request each of them to establish about 200 branches in rural areas and lend them, free of interest, cash balances to be maintained in such branches. It should be the duty of the banks to cultivate the banking habit in rural areas, and ~~the bank in each area.~~ Recommending the formulation of a co-ordinated long-term import policy to conserve exchange and avoid fluctuations and uncertainties which had led to ~~difficult~~ difficulties in some indigenous industries in the past, the committee felt that close co-operation between the Commerce, Industry and Finance Ministries and consultation with the Import Advisory Committee were necessary for the purpose. The ~~Bank~~ Government should implement as early as possible, its declared intention of securing uniformity in labour legislation governing the settlement of industrial disputes. The responsibility for laying down policy in this matter should rest with the Central Government and an appellate tribunal should be provided. Machinery should be ~~provided~~ ~~so~~ so devised as to act with promptitude. The work of the Income-Tax Investigation Commission should be completed as soon as possible and drastic and summary action should be taken against proved offenders. About

encouragement of foreign capital, the committee recommended that the Government should take early steps to encourage the inflow of American and other foreign capital whether on a Government-to-Government basis or otherwise. For this purpose, it suggested that a highpower mission, comprising leading industrialists, might be sent to the United States of America to explore possibilities of investment and conduct negotiations.

The Council adopted the report on remedial measures with some amendments, among other, ~~which~~ deleting the recommendation that all-round reduction in prices of food and industrial products should be followed by reduction in wages.

The Council was of the opinion that to place industry on a sound footing, production must be increased, quality improved, and costs and prices reduced. This would require more efficient management, rationalisation of plant and machinery, fuller utilization of installed capacity, and higher productivity of labour. As these improvements on a large scale could only be effected according to a well planned programme of economic expansion and industrial reorganisation, the Council recommended that a special committee or committees should be appointed to study the problem, with the assistance of such technical experts as may be necessary.

The Council also recommended that standards of quality should be laid down, particularly for articles intended for export.

(The Statesman, 28 and 29-7-1949)

Road Transport in Provinces: Nationalisation proposed.

At a meeting of the Transport Advisory Council held at New Delhi on 29 July 1949, it was announced that the majority of provinces and States Unions have decided on nationalisation of road transport, giving 20 per cent financial interest to the railways. The schemes under consideration generally contemplate the setting up of statutory transport corporations to operate the services, in which the Railways and provincial Governments will be the main participants.

It was stated at the meeting that Bombay and Madras had decided on nationalisation of road transport and were in favour of ~~the~~ setting up statutory corporations, while in Bengal a directorate of transport had been set up. In the United Provinces a transport planning committee had been formed to settle the future of the transport organisation. At present about 1,000 passenger buses and 450 lorries were running in the province. The area had been divided into nine transport regions. Railways were being given 25 per cent financial interest. East Punjab, the

Central Provinces, Madhya Bharat and the Patiala and East Punjab States Union had all decided on nationalisation of road transport.

(The Statesman, dated 31-7-1949).

46. Wages.

India - July 1949.

Bombay: Wage Trends in Processes relating to
Wood, Stone and Glass during the period
~~1939~~ 1939-1947.

The average per capita annual earnings for the processes relating to wood, stone and glass in Bombay province during 1947 were 649.13 rupees as compared with 264.26 rupees in 1939 - a rise of 145.6 per cent.

Among the various groups of the industry, "Stone dressing process" recorded a high increase in earnings of 658.29 per cent - from an annual per capita earnings of 23.4 rupees in 1939 to 177.44 rupees in 1947, while "Saw Mills" recorded the lowest - 60.78 per cent. ~~The following table~~

(Labour Gazette, May 1949).

West Bengal: Advisory Committee appointed
under Minimum Wages Act, 1948, for fixing
Minimum Wages in Rice Mills.

In exercise of the powers conferred under section 5 of the Minimum Wages Act, 1948, the West Bengal Government has appointed a committee to hold enquiries and to advise the Government in fixing the minimum wages in respect of employment in rice mills in West Bengal. The committee consists of three representatives each of Government, employers and employees.

(The Calcutta Gazette, Part I,
dated 30 June 1949, page 1086).

Cochin: The Cochin Minimum Wages Act.

The Maharaja of Cochin has assented to the Cochin Minimum Wages Act, which provides for fixing minimum rates of wages in certain scheduled employments. Under the provisions of the Act, which is on the same lines as the Indian Minimum Wages Act, 1948, minimum rates of wages shall be fixed within three years in the case of agriculture and two years in the case of other scheduled employment.

(The Cochin Government Gazette, Supplement, dated 18 June 1949, pages 2-18).

Ceylon: Lower Wages for Rubber Workers: Estate Employers' Federation's decision.

Consequent upon the withdrawal of the rubber growing and manufacturing trade from Part II of the Ceylon Wages Board Ordinance, the Ceylon Estate Employers' Federation has decided to employ labour at lower rates than were fixed under the Wages Boards Ordinance.

According to Mr. R. Singleton Salmon, Deputy President of the Federation, the Federation has recommended to its members that one month's notice should be given to all workers of the change in wage rates. The notice should be given as from 31 July 1949. The basis for the calculation of wages as from 1 September will be that of the Minimum Wages Ordinance. ~~In all other cases~~ Wage rates will be as high as the economic position ~~in~~ of the individual estate permits and the Federation has strongly recommended that wherever possible every endeavour should be made to maintain the present level of remuneration with the exception of the rates for overtime and for Sunday work. It has also informed its members that Sinhalese workers should be paid at rates not less favourable, than those paid to Indian workers. ~~There is no legislation fixing a minimum wage for Sinhalese workers on rubber estates.~~

The Federation has further directed that although annual holidays need not now be given to workers on rubber estates, those workers who have qualified for such holidays up to 31 August would be given the holidays with pay.

(The Times of Ceylon, 27-7-1949).

47. Reconstruction Plans.

India - July 1949.

Formation of Research Expansion Corporation: Scientific Council's Recommendation.

The formation of a National Research Development Corporation by the Government of India for the commercial exploitation of the results of research carried out by Indian Scientists was recommended by the Council of Scientific and Industrial Research at a meeting held in New Delhi on 11 and 12 July 1949. The primary object of the proposed Research Corporation would be to give new processes developed in India a try-out on a semi-commercial scale so that Indian industrialists may be encouraged to adopt them on a large scale. It has been recommended that the Corporation should be floated with a capital of 5.0 million rupees and a recurring expenditure of .5 million rupees. A committee with Mr. Ardeshir Dalal as Chairman has been appointed to work out the detailed scheme for the Corporation.

In order to make Indian industry research-conscious, the Council has adopted proposals for rendering greater technical assistance to the Indian industry, an industrial relations officer will be in touch with all the major trade associations and chambers of commerce and technical experts of the Council will be deputed to visit factories and render such aid and advice as may be necessary for the exploitation of new processes.

The Council also adopted proposals for the establishment of a Board of Engineering Research, pilot-plant investigations for the manufacture of synthetic petrol, and setting up of a salt research station and model farm at Wadala, Bombay. On the recommendation of the Council the Government of India was ~~inquiring~~ inquiring into the possibility of setting up production units for the manufacture of synthetic petrol. Two projects, one costing 250 million rupees and another costing 40 million rupees, prepared by American experts, are under the consideration of the Ministry of Industry and Supply. Indian coal has been sent to the United States in this connection. The Council has now proposed that the pilot plant investigations on the synthesis of petrol from coal should be done in India. The proposed salt research station and model farm in Wadala, Bombay, will work out scientific methods ~~and~~ for the production of salt and arrange demonstrations for salt products. Another research station to deal with problem of salt manufacture from lake and pit brine is also likely to be established at Sambhar Lake.

The Council also recommended the setting up of a full division of Central Drug Research Institute, Lucknow, for undertaking botanical research on indigenous drugs.

The Council sanctioned a number of research schemes costing .15 million rupees in the aggregate. The Council adopted a suggestion from the Indian Statistical Institute, Bombay, for the establishment of a research unit in quality control to serve the needs of the industries in Bombay, and accepted a contribution of 1.5 million rupees from the Silk and Art Silk Manufacturers' Association towards the establishment of a research institute in Bombay.

Other research schemes sanctioned by the Council include elucidation of the constitution of essential oils and their syntheses and studies on colloidal instability of cloud particles above and below the freezing temperatures.

(The Times of India, 14-7-1949).

U.S. Planning Expert to advise Government
of India.

The Government of India has invited Mr. S.A. Trone, an American engineer with considerable experience in planning and harnessing national resources, to visit India. Mr. Trone was connected with the execution of Russia's first Five-Year Plan and the construction of the famous Dnieper Dam, and built electric power and industrial plant in the oilfields in Baku and in Poland. Lately he had been industrial adviser to the Chinese Government.

A committee of the Cabinet consisting of the Industries Minister, the Transport Minister, the Minister for Works, Mines and Power, the Commerce Minister and the Minister for Food and Agriculture has been set up to decide on what specific matters the advice of Mr. Trone should be sought.

(The Statesman, dated 24-7-1949).

48. Public Finance.

India - July 1949.

Ceylon: Budget for 1949-50: Building Programmes to ensure Full Employment.

The Ceylon Budget for the year 1949-1950, presented to the House of Representatives on 13 July 1949 by Mr. J. R. Jayawardene, Minister for Finance, provides for an estimated expenditure of 557,985,624 rupees for the next financial year against an estimated revenue of 560,000,000 rupees, thus leaving a small surplus of 2,000,000 rupees. Of the total expenditure of 557,985,624 rupees budgeted for next year, 497,516,077 rupees is to be provided by the Appropriation Act and 60,469,547 rupees by Special law. The revenue expected at the end of the present financial year is 30,200,000 ~~more~~ rupees more than the original estimate of 534,800,000 rupees.

The main feature of the budget which, according to the Finance Minister "is made with reference to manpower and not to money alone" is that provision is made in the estimates, for the completion of large housing schemes, ~~and~~ irrigation works, roads, etc., with a view to affording fuller employment. With regard to expenditure of private individuals on capital works, encouragement is sought to be given in the form of Taxation relief.

The principal source of revenue is "Customs" which is expected to yield 515,000,000 rupees. The next main source of revenue is "Income Tax and Estate Duty" which is expected to yield 116,090,000 rupees or about 3,000,000 rupees more than this year. A total of 97,235,393 rupees has been budgeted for the Ministry of Education for next year, an increase of 5,250,000 rupees over the previous year. Closely following education is the expenditure on health services which next year will be 94,576,197 rupees, as against the estimated expenditure of 79,802,620 rupees for this year. The budget of the Ministry of Agriculture and Lands for next year is 51,327,714 rupees and this is to be supplemented by Loan Fund expenditure to the extent of 62,185,584 rupees for the numerous schemes of development it has launched in various parts of the Island.

The main taxation-revision proposals are: (1) Rate of tax on the lowest scale of income, liable to tax, is lowered from one and a half per cent to one per cent, ~~xx~~ representing relief to the extent of 2,000,000 rupees; (2) Houses put up after 1 April 1948, where rent payable is 50 rupees ~~xx~~ or under per mensem will be free from income tax to those owners whose rate of tax is 37 1/2 per cent and below. To others above that a rebate of 37 1/2 per cent; (3) A reduction of 15 per cent of the cost of plant, machinery and fixtures in those cases where they were purchased ~~xxxxxx~~ for industrial or agricultural purposes on or after 1 April 1948 or such other date which forms the commencing date for the purposes of assessment for 1949-1950; (4) A similar deduction of 33 1-3 per cent in the case of buildings for labour put up in industrial or agricultural enterprises. Other buildings in the case of industrial or agricultural concern will get 10 per cent of the cost ~~if~~ they are put up after 1 April 1948; (5) Reduction of import duty on certain selected articles; and (6) The betting tax is increased from 3 1/2 per cent to 10 per cent, by which increase 2,000,000 rupees more is expected. The present revenue from this tax is 900,000 rupees.

(Ceylon News Letter, dated 14-7-1949,
 issued by the Government of Ceylon;
 The Times of Ceylon, dated 15-7-1949).

49. Rehabilitation.

India - July 1949.

5 Million West Pakistan Refugees living in India: 290 Million Rupees spent on Relief Work.

Five million refugees from West Pakistan are now living in India, according to a census taken by the Ministry of Rehabilitation. The number of refugees from East Pakistan is estimated at 1,950,000 upto the end of April 1949. Official estimates show that the total number of West Pakistan refugees in nearly 100 camps up to June, 1949, in the provinces and Centrally administered areas is 650,000. Figures from States are difficult to obtain, but official estimates put the number in 60 camps at roughly 180,000. Besides, 52,000 refugees from East Pakistan are now in camps in West Bengal.

Up to date, 290 million rupees have been spent by the Government of India on refugees since the exodus following the partition of India began. This expenditure includes amounts spent on evacuation, reception, relief and rehabilitation. A provision for 382.5 million rupees has been made in the budget for 1949-50 for refugee rehabilitation. This figure includes 50 million rupees for East Pakistan refugees now in West Bengal, Assam and Tipperah.

The Government of India has fixed 31 October 1949, as the deadline when doles to refugees in relief camps will be totally stopped. Accordingly, the State and provincial Governments ~~for~~ have been asked to make arrangements for a progressive and systematic dispersal of ~~displaced~~ displaced persons living at present in relief camps. They are also to make plans for starting work centres to train all able-bodied people in vocations by which they can rehabilitate themselves. It has been made clear to them that after 31 October 1949 no expenditure on relief work will be allowed.

About 550,000 refugees in all the refugee camps in India, including those from East Pakistan, are now living on doles. An additional 100,000 may also be living on doles in some other areas, including the Central Provinces; and Jaipur, from where figures are not yet available. On the average, about 12 annas per head per day is being spent by the Government.

Pakistan: Pakistan (Dealings in Immovable
Evacue Property) Ordinance, 1949 (No. XI
of 1949).

The Government of Pakistan promulgated on 26 July 1949 the Pakistan (Dealing in Immovable Evacue Property) Ordinance, 1949 (No. XI of 1949) prohibiting dealings relating to immovable evacuee property in the Dominion. The Ordinance, which has been applied to West Pakistan, shall remain in force for a period of 2 months but the Central Government, may, by notification, extend the period.

According to the Ordinance no proposal for the sale, mortgage, lease, exchange, or other dealings relating to any immovable evacuee property made before or after the coming into force of this Ordinance ~~shall~~ shall be accepted. This Ordinance, also provides that any agreement made before the coming into force of the Ordinance in respect of sale, mortgage, lease, exchange or any other dealing relating to any immovable evacuee property will not be performed nor any such agreement will be registered or completed in any other manner. The Ordinance stops ~~all~~ sales ~~or~~ exchanges ~~or~~ transactions of evacuee ~~in~~ immovable property in all such areas to which it has been or may be extended, and no Registering Officer in such areas shall in future register or accept for registration any document relating to any immovable evacuee property.

(The Gazette of Pakistan, Extraordinary,
dated 26 and 29 July, 1949).

28

Chapter 5. Working Conditions.

52. Welfare and Workers' Leisure.

India - July 1949.

West Bengal: Coal Mines Labour Welfare Fund
(Amendment) Act extended to Darjeeling District.

By a notification dated 23 June 1949, the West Bengal Government has directed that the Coal Mines Labour Welfare Fund (Amendment) Act, 1949 (vide paragraph 52, page 58 of the report of this Office for June 1949) shall apply to the district of Darjeeling.

(The Calcutta Gazette, Part I,
dated 30 June 1949, page 1086).

United Provinces: The Factories Welfare
Officers' Rules, 1949.

The draft Factories Welfare Officers' (Conditions of Service) Rules, (vide paragraph 52, page 55 of the report of this Office for March 1949), have been approved and gazetted as the Factories Welfare Officers' Rules, 1949.

(The Government Gazette of the United
Provinces, Extraordinary, dated
29 June 1949, pages 1-3).

56. Labour Administration.

India - July 1949.

West Bengal: Working of the Factories Act, 1934 during 1947.

Number of factories and workers.- In West Bengal during 1947, 164 new factories, mainly engineering workshops, were brought on to the registers and 40 factories were removed. The number of factories on the register at the close of the year was 2,089. Of these, 1,801 were perennial factories and 288 seasonal. 121 of these factories did not work during the year.

The average number of workers employed daily in the working factories during the year under review was 667,626. Of this total, 594,782 were men, 64,187 women, 7,193 adolescents and 1,464 children. Employment through contractors was much less during the year under review.

Inspections and prosecutions.- During the year 2,026 ~~visits~~ visits were made to registered factories and 39 to unregistered concerns; 816 factories were visited once, 262 twice, 129 thrice and 58 more than three times; 703 factories were not inspected. The number of cases instituted during the year was 46. The offences related to notices and registers in 17 cases, illegal employment in 26 cases, sanitation and ventilation in 2 cases and safety in one case. The number of factories prosecuted was 38. No case was instituted concerning the illegal employment of women and adolescents, but as regards children, prosecution proceedings were resorted to in 15 instances concerned with employment without medical certificates, employment of under-age children, etc. Contraventions in regard to the maximum weekly limit of working hours were detected in 28 instances during routine inspections. Jute mills of a particular class of ownership as well as certain cotton mills and paper mills were guilty of exceeding the statutory limit.

Holidays with pay.- The member mills of the Indian Jute Mills Association granted 10 days' holidays with pay from 23 May 1947 to 1 June 1947, both days inclusive, for service in 1946. All workers including badli workers in attendance at the mill on the working day immediately preceding the leave period, were granted the holidays irrespective of their period of service or their attendance. Financial benefits were allowed to permanent workers who were absent on the qualifying day either on authorised leave or on reasonable grounds. In addition to the the statutory holidays, many of the larger concerns allowed festival holidays for not less than 7 days during the year. A number of the smaller concerns also closed the factories from 10 to 12 days during Durga Puja. (The main religious festival of Bengal).

30

Accidents.- 52 fatal accidents, 2,415 serious accidents and 12,984 minor accidents were reported during the year. Of the 52 fatal accidents, 18 occurred in jute mills and 12 in general engineering, shipyards and metalworks. Of the 2,415 serious accidents, 1,378 were in jute mills. A majority of the minor accidents also occurred in general engineering, iron and steel smelting factories and jute mills. An analysis of the accidents by causes shows that, of the fatal accidents about 21 per cent were caused by machines and about 19 per cent by falling objects. Of the serious accidents, 47 per cent were caused by machines and 14 per cent by falling objects. In the case of minor accidents, while machinery accounted for 26 per cent of the accidents, about 10 per cent were caused by falling objects. Of the 52 fatal accidents, 43 were due to causes which could not have been foreseen or prevented. Although the position regarding fencing, etc., in some factories deteriorated due to lack of materials, on the whole there was a slight improvement especially in rice mills. Several orders had to be issued during the year under section 26(2) of the Factories Act, 1934 regarding fencing.

Health, housing and welfare.- Although there were not many epidemics amongst industrial workers, the general health of the workers suffered on account of non-availability of pure food products. Malaria and dysentery were prevalent amongst the workers of the tea industry. Incidence of other forms of illness and industrial diseases appeared to have been on the increase during the year.

Generally, no deterioration in sanitary conditions compared with the conditions prevailing during the war period or immediately after, was reported, but on the other hand there was no marked improvement except in two areas only. In all well-organised factories such as jute mills, large engineering concerns, etc., the sanitary conditions within the premises were, on the whole satisfactory. Supply of drinking water was generally sufficient and good in quality although orders had to be served in some cases regarding irregularities. Inspection paid particular attention to ventilation and dust removal and ~~many~~ orders were issued to 85 tea factories for either installation of dust extraction plant or improvement of the existing ones. Lighting was good particularly in the new factories. Several orders, however, were issued during the year to improve natural lighting by opening more windows and sky-lights in other factories.

Shortage of building materials and lack of ground space stood in the way of new housing projects. Nine jute mills, however, constructed new houses to accommodate 500 families. The tea factories constructed some 150 houses in 50 gardens. Notable among the other developments during the year were the new constructions made by the Bata Shoe Co., the Bengal Enamel Works, the Dunlop Rubber Co., and the Kesoram Cotton Mills. The project of the Dunlop Rubber Co., could not, however, be completed in 1947.

The number of canteens provided was on the increase and almost everywhere the employers were contributing substantially towards their up-keep.
(INDIAN Labour Gazette, May, 1949).

Mysore: Annual Report of the Department of Labour
For the year ended June 1948.

Labour situation.- Labour conditions in Mysore State in the first half of the year under report were very much disturbed partly due to political reasons. In most cases, the strikes were due to dismissal of employees, demand for bonus, failure of conciliation proceedings, demand for enhancement of wage rates, annual increments, allowances reinstatement of workers, confirmation of temporary employees, etc. The timely intervention of the departmental officers however helped to bring about normal conditions. The total number of strikes was 152 and the number of workers involved 53,463. There was some temporary stoppage of work in some of the industrial concerns in the State during the year. The reasons for such "playing off" varied from concern to concern. There was "playing off" in 10 industrial concerns, out of which 6 paid wages during the period of "playing off".

Number of factories and workers.- There were 80 factories coming under the purview of the Mysore Labour Act, 1942. Of these 56 factories furnished returns. The total number of operatives employed was 75,526, the bulk of whom in the textile and minerals and metals industries.

Working conditions.- There was security of service in almost all the industrial concerns - private, Government-owned and Government-aided. Security of service was wanting in the gold mines owing to the existence of contract system. The labour association of the mines was agitating for the abolition of the system.

At the close of the year the number of concerns whose standing orders were settled stood at 57. Twenty five standing orders were pending settlement at the close of the year.

Wages and dearness allowance.- There was no uniformity in the rates of wages paid to employees in factories, which varied from industry to industry and factory to factory. Even among factories in the same industry in the same locality there was no uniformity in the wage rates. There was however, uniformity in the rates of wages paid to the employees in the gold mines. Dearness allowance was paid by almost all the industrial concerns in the State to their ~~working~~ employees during the year under report. The rates of dearness allowance vary from one industrial concern to another. Some major industrial concerns paid dearness allowance on the basis of cost of living index figures published by the department. Government industrial concerns paid dearness allowance at rates sanctioned by Government from time to time. Other industrial concerns paid at different rates. The total ~~amount~~ amount of dearness allowance paid by the industrial concerns in the State was about 12.5 million rupees. Bonus was also paid by most of the industrial concerns. The total amount of bonus paid by all the industrial concerns to their employees was about 2.9 million rupees. Some industrial concerns, in addition to the usual bonus also paid

Independence Bonus to be their employees.

In accordance with the decision arrived at the First Tea Plantation Labour Conference ~~withheld~~ held at New Delhi in January, 1947 a rapid sample enquiry into the general conditions and the family budgets of labour employed in coffee plantations in Mysore was conducted by the Labour Department, and the report on the enquiry has been submitted to the Government.

A pay commission has been appointed for reviewing and reporting on employment and labour conditions in the gold mining industry.

Industrial disputes.- Forty-six industrial disputes were dealt with by the Chief Conciliator during the year. Of these 11 were settled, 25 ended in failure, leaving 9 cases pending with him at the close of the year. Four disputes were referred to courts of arbitration. The report observed that few attempts at conciliation have so far succeeded.

Labour welfare.- Two model recreation centres were run by the Labour Department in Bangalore and a proposal for two more centres in Mysore was submitted to the Government. Amenities provided by the employers covered a wide range including ~~many~~ housing, canteens, medical facilities, maternity homes, co-operative stores, etc. Educational and recreational facilities like sports clubs, play grounds theatres and radio installations were also provided by the employers. The labour associations of the Kolar Gold Fields had their own Co-operative Societies, reading rooms, etc.

The proposal of the Labour Commissioner for undertaking a survey of occupational diseases in the State by a suitable medical officer was accepted by the Government and accordingly Mr. M. Appajappa, was posted to the Labour Department on ~~xxx~~ special duty for this purpose. His report has been submitted to the Government.

Labour Associations.- There were 54 registered labour associations functioning at the beginning of the year. Sixteen more new associations were formed and registered during the year under the Mysore Labour Act, 1942, thus bringing the total number of associations to 70 at the end of the year. The total membership of these 70 associations was 52,822 at the end of the year as against 37,435 at the beginning of the year. Generally these associations were functioning satisfactorily.

Labour Welfare Board.- During the year the Labour Welfare Board considered the following subjects: (1) Survey of the conditions of women employees in the State; (2) Housing facilities to labourers in the cities of Mysore and Bangalore; (3) Recreation facilities to the industrial workers - ~~Legislation~~ Legislation to provide for these; (4) Publication of Labour Gazette; (5) Measures to be taken to safeguard the interests of employees in certain unorganised industries; and (6) Legislative control over funds of several workers' unions to prevent lightning strikes.

Mysore Industrial and Labour Tripartite Conference.-

A Mysore Industrial and Labour Tripartite Conference of representatives of labour, employers and Government was held in April 1948. In pursuance of the decisions arrived at the conference, four sub-committees were appointed for recommending the lines on which legislative and administrative action may be taken on the following subjects: industrial peace, profit-sharing, housing and plantations.

(Mysore Labour Gazette, May 1949).

34

59. General.

India - July 1949.

India : Indian Mines Act, 1923: Exemptions.

In exercise of the powers conferred under the Indian Mines Act, 1923, the Central Government has exempted the mines, groups of mines, classes of mines, parts of mines, and classes of persons specified in the schedule from the operation of certain specified provisions of the Act, subject to certain conditions. Certain mines have been exempted from all the provisions of the Act, while certain others have been granted exemption from certain specified provisions. The exempted mines include, among others, laterite, gravel bauxite, slate and lime-stone mines, borings or oil wells where no person is employed beneath the adjacent ground level, mines ~~where~~ where excavation is for purposes of prospecting, iron-ore mines worked without mechanical power, etc.

(The Gazette of India, Part I-Section 1,
dated 16 July 1949, pages 973-980).

Hyderabad: Labour Conditions in Mines:
Enquiry Committee's Recommendations.

A committee constituted by the Hyderabad Government, under the presidentship of Mr. Jadhav, to inquire into labour conditions of miners has recommended a hundred per cent increase over the basic wage rate which obtained in 1939 for coal cutters, fillers and trammers and 25 per cent increase for surface workers. Women workers and boys should be given a basic wage of annas nine and eight respectively per day. The committee has recommended the grant of dearness allowance of a hundred per cent on the new basic wage. In regard to payment of bonus, it has expressed the view that it should be on the same lines as granted by the Central Government (vide pages 21-24 of the report of this Office for May 1947), subject to a minimum attendance of 60 days in a quarter for underground workers and 65 days in a quarter for surface workers. The bonus should be limited to persons drawing 300 rupees a month.

~~Recommendations~~ Recommending the application of the Payment of Wages Regulation to coal-miners, the committee has ~~recommended~~ suggested the appointment of an inspectorate staff for strict supervision and prevention of indiscriminate fining by the management. The committee has recommended the grant of 10 holidays with pay in a year provided the employees are qualified by continuous service of one year during the preceding year. ~~The~~

The introduction of a provident fund on lines of the Coal Mines Provident Fund and liquidation of the contract system as early as possible have also been suggested by the committee.

(The Hindu, dated 26-7-1949).

Burma: The Mines (Amendment) Act, 1949
(Act No. XL of 1949): Employment of Women
and Children Underground prohibited.

The President of the Union of Burma has promulgated the Mines (Amendment) Act, 1949 (Act No. XL of 1949) which prohibits the employment of women and children underground. The Act provides, inter alia, that (a) no child shall be ~~permitted to be~~ employed in a mine, or be allowed to be present in any part of a mine which is below ground; (b) no woman, except those employed in health and welfare services, shall be permitted to enter for purposes of employment, ~~and~~ or be employed, in the underground workings of any mine; and (c) no woman shall be permitted to enter or remain in the underground workings of any mine unless she is in possession of a pass granted by the manager of the mine.

(The Burma Gazette, Part I,
dated 9 July 1949, page 388).

Chapter 6. General Rights of Workers.

63. Individual Labour Contracts.

India - July 1949.

Assam: The Industrial Employment (Standing Orders) Act extended to Excluded Areas.

By a notification dated 6 July 1949, the Government of Assam has directed that the Industrial Employment (Standing Orders) Act shall apply to the Excluded Areas of Assam.

(The Assam Gazette, Part II, dated 13 July 1949, page 1057).

Bombay: Model Standing Orders for the Sugar Industry under the Bombay Industrial Relations Act, 1946.

By an order dated 9 July 1949, the Bombay Government has notified Model Standing Orders for the ~~text~~ sugar industry under the Bombay Industrial Relations Act, 1946, in respect of (a) manual workers other than those engaged in agriculture or agricultural operations, (b) manual workers engaged in agriculture or agricultural operations, and (c) for clerks and sepoy.

(The Bombay Government Gazette, Part IV-B, Extraordinary, dated 9 July 1949, pages 1478-1507).

65. Collective Agreements.

India - July 1949.

Draft Industrial Statistics (Labour) Rules
framed by Ajmer-Merwara, East Punjab, Bombay
and Bihar Governments.

Draft Industrial Statistics (Labour) Rules, have been framed ~~by the provinces~~ by the provinces of East Punjab, Bombay and Bihar and Ajmer-Merwara during July, under section 12 of the Industrial Statistics Act, 1942. These rules require employers to furnish (a) statements showing details relating to revisions in wages and allowances, annual, quarterly or other periodical bonuses declared for payment to workers and conditions of eligibility for such bonuses, and (b) quarterly returns in appropriate forms dealing with employment and attendance and hours of work and earnings, for the various categories of workers.

- (The Gazette of India, Part II-A, dated 16 July 1949, pages 462-468 ;
- The Bombay Government Gazette, Part IV-A, Extraordinary, dated 8 July 1949, pages 553-564;
- The Government Gazette, East Punjab, Part I, dated 15 July 1949, pages 671-680;
- The Assam Gazette, Part II, dated 13 July 1949, pages 1058-1064;
- The Bihar Gazette, Extraordinary, dated 2 July 1949, pages 1-11).

66. Strike and Lockout Rights.

India - July 1949.

Bihar: Cotton Textile Industry declared
Public Utility Service under Industrial
Disputes Act, 1947.

By a notification dated 24 June 1949 the Government of Bihar has declared the cotton textile industry in the province as public utility service for a period of 6 months from 1 May 1949, for purposes of the Industrial Disputes Act, 1947.

(The Bihar Gazette, Part II,
dated 6 July, 1949, page 975).

39

67. Conciliation and Arbitration.

India - July 1949.

Improvement in Labour Situation: Fewer
Industrial Disputes in First Five Months
of 1949.

~~Since~~ The Labour situation in India in the first five months of 1949 showed considerable signs of improvement, compared to that in the same periods in the past two years. The number of industrial disputes up to 1 June this year was 539, involving 377,045 workers and resulting in a loss of 2,872,915 man-days. During the same period in 1948, there were 851 disputes with 675,346 workers involved and accounting for a loss of 5,041,546 man-days. The figures for the corresponding period in 1947 were 1,195 disputes, involving 1,183,652 workers and bringing about a loss of 9,334,165 man-days.

The total number of disputes since 1 January 1947, up to 1 June 1949, were 3,609; 3,676,949 workers were rendered idle as a result and 27,271,751 man-days were lost. Of these disputes, 1,811 occurred in 1947; 1,259 in 1948 and 539 in the first five months of 1949. The figures of workers involved and consequent loss of time for the three periods ~~respectively~~ respectively were: 1,940,784 and 16,562,666; 1,059,120 and 7,838,173; and 3770,045 and 2,872,915.

An analysis of the figures show that the cotton, silk and wool industry was the worst hit by disputes, which caused a loss of about 12,160,000 man-days during the 29 month period from 1 January 1947. On the basis of figures for the first five months of the year, the total time that would be lost in the cotton, silk and woollen industry during the whole of this year is expected to be much less than that in the two previous years. There was a deterioration in the labour situation in the cotton industry in May when 237,000 man-days were lost. The situation in the jute industry showed little improvement in 1949 and several cases of lock-out accounting for a considerable proportion of the time lost in this industry were reported. In one concern alone a lock-out caused a loss of 210,000 mandays during 1949.

Slightly over 200,000 man-days were lost in mines during the first four months of 1949, which is nearly the same as for the 12 months of 1948.

The figures show that among the major provinces the situation in Bombay, Madras and the United Provinces has

40

been progressively improving since 1947. In West Bengal, the situation in 1949 shows little improvement over 1948 and industrial unrest seems to persist. A majority of the bigger disputes in occurred in West Bengal; a considerable proportion of these were lock-outs, some of them resulting from strikes. The industrial situation deteriorated in the Central Provinces mainly due to disputes resulting in lock-outs in the textiles group, which continued from the end of last year. Of late, the situation has considerably improved in that province.

(The Statesman, 27-7-1949).

Industrial Disputes in the Bombay Province
during the year 1948.

During the year 1948 the total number of industrial disputes in the Bombay province was 536, involving 384,395 workers and a time loss of 1,810,793 man-days, as against 650 disputes, 726,594 workers and 3,783,816 man-days in 1947, thus recording a fall of 17.5 per cent in the number of disputes and over 52 per cent in time loss. The decline in the number of workers involved was over 47.1 per cent. Disputes occurred at 46 centres but Bombay City - most important industrial centre in the province - recorded the highest number, viz., 590 disputes, with 20 disputes in Ahmedabad and 17 in Sholapur. The disputes in Bombay involved over 68 per cent of the total number of workers affected and accounted for more than 55 per cent of the total time loss.

Causes of disputes.- A variety of reasons occasioned strikes and lock-outs and in several instances many issues were involved in each case. Pay and allowances, however, formed the main issue in over 41 per cent of the total number of disputes involving more than 43 per cent of the workers. Grievances regarding personnel were responsible for 27.4 per cent of the disputes and affected 21.9 per cent of the workers. As compared to 1947, the percentage of disputes under the heading "pay and allowances" increased from 36.2 per cent to 41.8 per cent. Disputes involving bonus issues, however, fell from 14.5 to 11.2 per cent.

Results of disputes.- In 28.4 per cent of the disputes which ended during the year under review representing 16.8 per cent of the total workers involved, the workers were either entirely successful or partially successful while in 52.1 per cent of the disputes involving more than 59 per cent of the work-people, the strikers were wholly unsuccessful. The results in 98 cases were 'indefinite'. The workers were successful in 48 disputes in which 'pay and allowances' was the principal issue and in 36 disputes relating to grievances about personnel. As compared to 1947, there has been an increase from 15.1 to 20.7 per cent in the number of disputes in which the workers were successful. At the same time, however, the percentage of unsuccessful disputes advanced from 50.6 to 52.1 per cent. Partial successes

declined from 15.6 to 7.7 per cent.

Workers involved.- More than 51 per cent of the workers involved in disputes during 1948 were from the textile industry, while metals and engineering accounted for another 22.5 per cent. The total number of workers involved, however, was 47.1 per cent below the 1947 figure. Classified according to the number of workers involved, the 10-100 group accounted for more than one-third of the total disputes. These caused about 2.4 per cent of the time loss resulting from all disputes. Twenty strikes, less than 4 per cent of the total, involved more than 4000 workers in each case. These involved 34.1 per cent of the workers in all disputes and accounted for 36.0 per cent of the total time loss.

Working days lost.- The number of working days lost in 1948 was less than half that for the preceding year. One hundred and two disputes, however, accounted each for a time loss of less than 101 man-days and involved a little over one per cent of the total number of workers. Nine strikes resulted in a loss of more than 50,000 man-days each, involving about 11 per cent of the workers and 47 per cent of the total time loss.

Duration of industrial disputes.- About a third of the disputes involving 29 per cent of the total number of workers lasted for more than 5 days and accounted for over 80 per cent of the total time loss. One-day strikes numbered 170 and involved 39.7 per cent of the workers.

The following table summarizes the disputes recorded during 1948:

Industry	No. of disputes	Number of workers involved	Number of man-days lost	Number of disputes in which the demands related to			
				wages	Bonus	Personnel	
1	2	3	4	5	6	7	
Spinning and Weaving	190	199,414	1,021,585	65	24	49	
Metals and Engineering	79	86,403	383,195	31	8	25	
Others.....	267	98,568	406,014	128	28	73	
Total.....	536	384,385	1,810,793	224	60	147	
Leave and Absence	Others	Number of disputes that were					
		Succ-essful	Partial-ly succ-essful	Un-succ-essful	Inde-finite	In-con-clusive	In-Pro-gress
8	9	10	11	12	13	14	15
17	35	32	12	118	24	3	1
9	6	4	5	49	21
20	18	74	24	110	53	3	3
46	59	110	41	227	98	6	4

42

Central Provinces and Berar: Draft Amendments
to the Central Provinces and Berar Industrial
Disputes Rules, 1947: Functions of Works
Committees defined.

The Central Provinces and Berar Government has published certain draft amendments to the Central Provinces and Berar Industrial Disputes Rules, 1947 (vide paragraph 67, page 53 of the report of this Office for January 1948), which define the functions of Works Committees and certain procedural matters, relating to meetings and agenda of the committee, quorum, presiding officer, manner of taking decision, minutes of the meeting and time limit for deciding a question.

Functions of Works Committees.- According to the draft amendments, a Works Committee will deal with the day-to-day grievances of workers in the industrial concerns and ~~help~~ help in maintaining good relations between the management and the workers. The objects of a Works Committee will be - (i) to give the workmen a wider interest in and greater responsibility for the conditions under which their work is performed; (ii) to prevent friction and misunderstandings; and (iii) to enforce the regulations and collective agreements for the proper working of the factory and help in maintaining the factory discipline. The matters that will be dealt with by a works committee will be the following: (a) the distribution of working hours; fixation of shifts; (b) the method of payment of wages (time and form of pay-ticket); (c) the settlement of grievances relating to or arising out of the terms and conditions of employment of the workers; (d) questions of physical welfare; (e) questions of discipline and conduct as between the management and workmen, i.e., malingering, bullying, time-keeping, publicity in regard to rules, supervision of notice-boards; (f) suggestions for improvement in methods and in organization of work; (g) investigation of circumstances tending to reduce efficiency or in anyway to interfere with the satisfactory working of the factory; (h) ways and means of increasing efficiency; and (i) any other steps that may be conducive to harmonious relations between the workmen and the management.

The committee will have the power to secure collective agreements for the redress of grievances of workers and settlement of disputes relating to or arising out of the terms and conditions of employment; but will not have any power to come to an agreement inconsistent with any settlement made in the course of conciliation proceedings under the Act, or any order of Government enforcing the recommendations of a court of inquiry or a tribunal. Further, any agreement come to by a works committee may at any time be superseded by any order of Government enforcing the recommendations of a court of inquiry or a tribunal or any settlement made in the course of conciliation proceedings, under the Act.

The more important among the other amendments are:
(a) that decisions at the meetings of works committee

shall be arrived at only by agreement between the two sides, and their decisions would be enforced as a result of agreement; in the event of disagreement on any question or failure to enforce any agreed decision of the committee, the same may be reported by the committee to the Labour Commissioner, Central Provinces and Berar; and (b) that every dispute, which is referred to a committee, shall ordinarily be decided within fifteen days from the date of reference of the dispute.

(The Central Provinces and Berar Gazette, Part III, dated 15 July 1949, pages 726-727).

Assam: Industrial Disputes Act, 1947,
extended to Excluded Areas.

By a notification dated 8 July 1949, the Government of Assam has extended the Industrial Disputes Act, 1947 to the Excluded Areas of Assam.

(The Assam Gazette, Part II, dated 15 July, 1949, page 1057).

46

CHAPTER 7. EMPLOYMENT AND UNEMPLOYMENT.

INDIA - JULY 1949.

71. Organisation of the Labour Market.

India: Employment in Perennial Factories
during First Half of 1948.

A review of returns on employment in perennial factories furnished by the provincial Governments for the first half of 1948 is published in the May 1949 issue of the Indian Labour Gazette. The following is a summary of the review.

The returns show a total of 12,098 perennial factories with an average daily employment of ~~2,055,122~~ ^{2,055,122} workers in the provinces of the Indian Dominion, that excluding East Punjab for which statistics for 1947 are not available, there was an overall increase of 367 in the number of perennial factories and a rise of 0.8 per cent in the average daily employment therein compared to 1947.

Number of factories.— Compared to 1947, there was an increase in the number of working factories. The provinces other than East Punjab showed a total of 11,702 factories during the first half of 1948 as against 11,335 during 1947. The increase was mainly in Bihar, Madras and West Bengal. The United Provinces recorded a slight fall in the number of factories. The following table shows the number of perennial factories in the provinces during the first half of 1948 as compared with 1947:—

Province	First half of 1948	1947
Ajmer-Merwara	27	26
Assam	176	164
Bihar	469	441
Bombay	3,816	3,685
Coorg	9	10
C.P. and Berar	657	642
Delhi	229	219
Madras	3,550	3,418
Orissa	186	182
United Provinces	854	862
West Bengal	1,749	1,686
Total excluding East Punjab	11,702	11,335
East Punjab	396	-
Total, all provinces	12,098	-

Total number of employed.- During the period under review the provinces other than East Punjab showed a total average daily employment of 2,027,997 as compared to 2,011,484 in 1947, thus recording a slight increase of 0.8 per cent. Including East Punjab, the total average daily employment during the first half of 1948 was 2,055,122. Slight increase in employment were recorded in Bombay, Madras and West Bengal while the United Provinces showed a decline. These can be understood in the context of similar changes in the number of ~~factories~~ factories in these provinces. Bihar and Central Provinces and Berar, however, showed decrease in employment inspite of the increase in the number of factories mainly on account of non-submission of returns and reduction in employment in ordnance factories, etc. The following table shows the total average daily number of workers employed during the first half of 1948, as compared with 1947:-

Province	First half of 1948	1947	Percentage increase(x) or decrease (-) compared to 1947
Ajmer-Merwara.....	14,771	15,565	(-) 5.1
Assam.....	11,301	11,210	(x) 0.8
Bihar.....	115,773	114,890	(-) 1.0
Bombay.....	673,192	659,654	(x) 2.1
Coorg.....	88	117	(-) 24.8
Central Provinces and Berar-----	65,704	74,575	(-) 11.9
Delhi.....	32,079	31,320	(x) 2.4
Madras.....	264,263	259,082	(x) 2.0
Orissa.....	10,450	10,180	(x) 2.7
United Provinces..	190,279	192,266	(-) 1.0
West Bengal.....	652,097	642,625	(x) 1.5
Total excluding East Punjab-----	2,027,997	2,011,484	(x) 0.8
East Punjab.....	27,125	-	-
Total, all provinces.	2,055,122	-	-

Registered factories are classified according to ownership as Government and Local Fund factories and other factories. During the period under review, Government and Local Fund factories accounted for a total employment of 252,426 workers. Excluding East Punjab, this group showed a total of 247,384 workers as against 256,592 in 1947, thus recording a fall of 5.6 per cent. The other factories, however, showed an increase of 1.5 per cent in employment. Among Government and Local Fund factories, the first half of 1948 witnessed further reductions of employment in ordnance factories of the order of about 5,000 workers. Railway workshops showed a fall of 2.9 per cent and mints 9.5 per cent. Dockyards, engineering and printing showed slight increases in employment. Among other (private) factories, textiles, showed an increase in employment due to an increase of about 10,000 workers in the jute mills in West Bengal. Although there was an increase of 7,000 in the number of

46

workers employed in the cotton mills in Bombay, the general level of employment in cotton mills dropped slightly. Engineering and mineral and metals recorded increases of 2.7 per cent and 3.2 per cent respectively. Food, drink and tobacco showed an increase of 6.5 per cent. The increase was due mainly to the increased employment in sugar mills in the United Provinces and in tobacco factories in Bombay.

Classification of employment by age and sex.- During the period under review, adult men formed 88.7 per cent as compared to 88.1 per cent of the total in 1947 while adult women formed 9.8 per cent as compared to 10.1 per cent in 1947. Adolescents and children accounted for only 1.5 per cent of the total as compared to 1.8 per cent in 1947. Thus, as compared to 1947, there was a slight increase in proportion of men in perennial factories and a corresponding decrease in women, adolescents and children. As in 1947, among the major provinces the proportion of women was the highest in Madras being about 19 per cent. Adolescents and children were also the highest in number in this province. Among the 2,629 girls employed in all the provinces, Madras alone accounted for 2,265.

(Indian Labour Gazette, May 1949).

India: Employment Exchanges: Working during
May, 1949.

Employment situation.- During May 1949, improvement in the employment situation was reported from Assam, Bihar, Delhi and Ajmer-Merwara, East Punjab, Madras and the United Provinces, owing to a large number of vacancies in Railways and Government departments, demand for labour in iron ore mines and in tea plantations, technical and industrial expansion and progress in construction work. These openings were expected to absorb a large number of skilled and unskilled labourers. On the other hand West Bengal and Bombay regions reported deterioration in the employment situation on account of closing down of some textile mills, heavy retrenchment in other industrial concerns and clerical establishments and continued slump in jute, iron and steel, and aluminium industries. There was no change in the employment situation in the Central Provinces and Orissa regions.

The all-India shortage of skilled technicians in the engineering and building trades continued. There was also a shortage of trained teachers, dhobis and domestic servants in Bihar. West Bengal reported a shortage of ~~and~~ aeronautical, radio and tele-communication engineers. On the other hand a surplus of clerks, unskilled workers, semi-skilled technicians, motor drivers, peons, chowkidars etc. was reported by many exchanges.

Registrations and placings.- The total number of registrations for employment assistance effected at employment exchanges and the total number placed in employment during May 1949 are shown below:-

	May 1949	April 1949	May 1948
Total number of registrations-----	98,314	98,489	68,808
Total number of persons placed in employment---	24,443	22,854	21,126

Of those placed in employment 2,421 were ex-Services personnel and 4,962 displaced persons. There was a fall of 175 in the number of registrations as compared with the last month's figures owing to a substantial drop in registrations in the United Provinces. Almost all other regions reported an increase of registrations, prominent among them being West Bengal, Bombay and Assam. In West Bengal the increase was due to a large number of applicants registering themselves for recruitment against Government vacancies, decision of some employers in the Kidderpore exchange area to obtain their personnel through the exchange and a number of unskilled labourers registering themselves for employment. In Bombay region continued retrenchment in textile mills, unemployment of agriculturists at the end of the harvesting season, and declaration of university examination results were factors mainly responsible for higher registrations. The increase in registrations ~~in Assam~~ in Assam was due to intensive activity of the Mobile Section and registration of a large number of persons for recruitment against Railway vacancies. As regards placements, all regions recorded an increase except Madras. Altogether 1,579 more persons were placed than in the previous month. The United Provinces alone recorded an increase of 819 due mainly to the filling up of vacancies created by the enforcement of the Panchayat Raj Act and absorption of applicants by the Agra Roadways. The Central Provinces and Berar reported an increase of 300 as a result of increased activity of the Mobile Section and employment by the Great Indian Peninsula Railway of a number of registered persons.

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

<u>Wage groups: basic monthly pay</u>	<u>Number of placings.</u>
Above 101 Rupees -----	432
61 to 100 Rupees -----	2,510
30 to 60 Rupees -----	18,070
Below 30 Rupees -----	3,621

Employment exchanges in Indian States.- Returns from employment exchanges in Indian States show that up to 31 May 1949, 105,745 applicants had been registered out of which 21,183 had been placed in employment. These figures are in addition to the all-India figures quoted above.

Employment of displaced persons.- 16,667 displaced persons were registered during the month as against 16,368 during April, 1949, and 4,962 were placed in employment. Bareilly exchange reported that a training-cum-production centre covering a number of important industries was being organised at the relief camp at Shahgahanpur. It was expected that a number of ~~xxx~~ trained displaced persons would be absorbed in this centre. Many exchanges reported that Railway vacancies reserved for displaced persons were being notified in large numbers and displaced persons appeared to be keen on such employment. Barrackpore and Kidderpore exchanges reported that difficulties were being experienced in resettling displaced persons as many of them were unsuitable for clerical jobs being without sufficient educational qualifications. A number of them were also either unwilling or unsuitable for manual work.

Work of Special Employment Bureau.- The total number of persons registered by the Special Employment Bureau upto 31 May 1949 was 5,195 of whom 884 had been placed in employment. The number registered during the month was 121 and that placed in employment 65.

Technical and vocational training.- During May 1949, there were 79 technical training centres and 97 vocational training centres functioning, with 5,454 and 2,815 ex-Servicemen trainees respectively under training. 7,715 displaced men were undergoing training at the training centres in Bihar, Bombay, Central Provinces and Berar, Delhi and Ajmer-Merwara, East Punjab, United Provinces and West Bengal. 389 trainees (both ex-Servicemen and displaced persons) passed the trade tests in technical trades bringing the total of passed out trainees to 12,037. In the vocational trades 269 trainees passed out, bringing the total of passed out trainees to 2,600. ~~278 displaced~~ ~~girls~~ 24 disabled ex-Servicemen were undergoing training in the three special training centres. 37 trainees passed the prescribed test bringing the total passed out to 1,392. An amount of 8,950 rupees was distributed to 46 disabled trainees who had successfully completed the training course, for purchase of tools and equipment. 278 displaced girls and women were undergoing training at the centre at New Delhi run by the Ministry of Labour. 56 trainees passed the trade test bringing the total of passed out trainees to 219. 34 more firms agreed to participate in the Apprenticeship Training Scheme while 2 firms withdrew from ~~in~~ the scheme. The total number of Apprenticeship Training Centres was thus 336 at which 810 ex-Servicemen and 1,756 displaced persons were undergoing training. 127 adult civilians were undergoing training on 31 May 1949, at the Combined Training Centre, Koni, Bilaspur (Central Provinces). 212 primary school teachers were undergoing training in woodwork at the training centre in Aundh (Bombay) under arrangements made with the Government of Bombay.

The third batch consisting of 113 instructor trainees joined the Central Institute for Training Instructors at Koni during the month.

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

Administrative Region.	Selected and posted			
	Technical Training		Vocational Training	
	During the month	Cumulative to date	During the month	Cumulative to date
Assam-----	9	408	19	288
Bihar-----	16	3,501*	20	1,546*
Bombay-----	80	4,954	31	2,480
Central Provinces and Berar-----	17	1,891	6	890
Delhi and Ajmer-- Morwara-----	31	1,776	2	723
East Punjab**	84	784	15	379
Madras-----	525	27,796	90	8,645
Orissa§ -----	25	156	21	142
United Provinces--	15	7,280	172	9,508
West Bengal-----	50	3,092	69	1,426
Total-----	652	51,638	445	25,827

* Includes trainees appropriate to Orissa selected and posted upto 30-9-48, separate figures for which are not available.

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

§ Cumulative figures are for the period beginning with 1st October 1948.

(Review of the work of the Directorate-General of Resettlement and Employment during the month of May 1949; issued by the Government of India).

Central Provinces and Berar: Badli Labour in Textile Mills: Standing Committee recommends discontinuation.

The discontinuance of the badli (substitute) system in textile mills and the creation of a permanent leave reserve from among the badli workers on the basis of average absenteeism, have been recommended by the Textile Standing Committee which met at Nagpur on 28 July 1949 under the chairmanship of the provincial Premier, Mr. R.S. Shukla. For the excess badli workers, who might remain unemployed, the Committee suggested their absorption in subsidiary industry, the possibility of the starting of which should be examined and definite proposals placed before the Committee. Till such time as the subsidiary industry was not established, the Employment Exchange might be asked to suggest alternative employment for the workers.

The Committee, by another resolution, considered it desirable to retire old and disabled workers and requested the Millowners Association to state its terms and conditions.

The Committee's recommendations will be considered by the Provincial Labour Advisory Board at its next meeting.

(The Times of India, 29-7-1949).

United Provinces Scheme for Decasualization of Labour: Report published*.

At a meeting of the United Provinces Labour Tripartite Conference, held at Lucknow during May 1948, a Committee was appointed to consider the question of decasualization of labour and the recruitment of industrial workers through the employment exchanges. Mr. K.N. Singh, Labour Commissioner, Government of the United Provinces, was the chairman of the Committee and the members included representatives of the provincial Indian National Trade Union Congress, the Employers' Association of Northern India, the Indian Sugar Syndicate and the provincial Government.

* Report of the Committee to consider the question of Decasualization of Labour and Recruitment of Industrial Workers through Employment Exchanges: Allahabad: Superintendent, Printing and Stationery, United Provinces, 1949; pp. 48.

The Committee in a report published recently has recommended a scheme for integrating the process of recruitment at the different factories and creating a central agency for the distribution of available labour to the different mills according to their daily requirements.

Objects of the scheme.- The principal objects of the scheme are: (1) Afford a better chance of selection to the employers themselves since the Central Agency would send them all the best workers available in the town and thereby help to improve efficiency. (2) Obviate the necessity of interviewing large and obviously unsuitable candidates since the Central Agency would send only the most suitable candidates strictly satisfying the qualifications laid down. (3) Remove the mills' dependence upon the mistris and jobbers wherever still in existence and thereby eliminate corruption, the Central Agency having no axe of its own to grind. (4) Help to save the employers the expenses of having an elaborate recruitment-cum-~~labour~~ labour office, much of the work being done by the centralized agency. (5) Afford a better utilization of talents amongst the employment seekers by submitting them for jobs for which they are most suitable. (6) Remove the abuse of substitute system wherever in existence inasmuch as the Central Agency would be in a position to check persons who are on the list of more than one mill. (7) Reduce to the minimum complaints and frictions between the employer and the labour concerning recruitment which is entrusted to Central Agency. (8) Effect decasualization by switching over the surplus from one mill to the other in deficit and vice versa, thereby effecting an increase in national wealth by reducing ~~that~~ idle hours. (9) Encourage systematic training of textile workers with a view to ensuring a steady supply of efficient workers.

Organisation.- The organisation i.e., the Central Agency shall be the Employment Exchanges, District Employment Offices and all other sub-offices that may be established by the Directorate of Resettlement and Employment for the purpose.

The Central Agency will maintain all the necessary registers and books that may be needed for the purpose, the principal ones being the substitute (Badli) register and Master Register of all available suitable employment seekers and register of candidates sent for training.

Duties of employers.- All employers governed by the scheme shall ensure that as far as possible all ~~as~~ vacancies, whether new, substitute, or casual for training and others are intimated and filled from amongst the candidates submitted by the Central Agency, care, however, being taken to see that whenever any vacancies are filled direct, the particulars of such vacancies and particulars of persons employed thereon are sent to the concerning office of the organisation.

52

Every employer shall issue a service certificate in a prescribed form when a worker leaves his employment.

Powers of Officer-in-charge.— The Officer-in-charge shall have the power to require any employer governed by the scheme to furnish him with such information as he may require for the efficient introduction and administration of the scheme and in particular information regarding— (1) the average daily number of substitutes who present themselves for work but cannot get it; (2) the number of substitutes appointed to permanent jobs during a month or such period as he may specify; and (3) the number of vacancies, temporary or permanent that occur during a month or such period as he may specify.

The officer-in-charge or such Officer, being not lower in rank than the Assistant Employment Officer, as he may depute shall have the right to enter the premises in the occupation and inspect any records maintained by any employer governed by the scheme with a view to securing compliance with the provisions of this scheme.

Advisory committee.— In cases of any difference of opinion in any matter arising out of the administration of the scheme the same will be referred to an Advisory Committee consisting of an equal number of representatives of employers and labour together with a representative of the Employment Exchange with the Labour Commissioner or his nominee as the Chairman. The decision of the Committee will be final. The Committee shall ~~advise and assist~~ advise and assist the officers on all matters connected with the efficient introduction and administration of the scheme and in particular on -- (1) the regulation of the number of substitute card-holders; and (2) the mills to be permitted to employ trainees and the numbers and categories of trainees to be employed by each.

The Committee has asked the provincial Governments to approve its recommendations and authorize the Provincial Labour Department and through it, the Regional Directorate of Resettlement and Employment, United Provinces (under the Government of India), to give effect to the recommendations as early as possible.

73. Migration and Colonisation.

India - July 1949.

Employment of Indian Skilled Labour in Malaya:
Terms of Conditions agreed to by Singapore
Indian Chamber of Commerce.

Apart from suggesting a few minor amendments, the Singapore Indian Chamber of Commerce has accepted the Government of India draft agreement setting out conditions under which Malayan Indian employers will recruit ~~and~~ Indian skilled labourers. The draft agreement provides for a 48-hour week, gratuity of a month's salary for every year of service, free ordinary medical attendance in cases of ordinary illness and other privileges for employees, (vide paragraph 73, pages 59-60 of the report of this Office for June 1949). The Indian Chamber suggested that free passage should be provided to and from Singapore only to the employee and not his family and that 15 days' leave with full pay should be given for every 11 months instead of one month.

(Journal of the Indian Merchants' Chamber,
July, 1949).

CHAPTER 8. SOCIAL SECURITY.

INDIA - JULY 1949.

81. Social Insurance.

Madras: Working of the Workmen's Compensation Act, during 1948.

Number of accidents.- According to the annual returns on the working of the Workmen's Compensation Act for the year 1948 received from 4,339 employers out of 5,770, there were 3,777 accidents in Madras during the year for which 193,006 rupees was paid as compensation. The following table gives the details regarding the number of compensated accidents and the amount of compensation paid:-

	Number of accidents			Compensation paid		
	Death	Perma- nent dis- able- ment.	Tempo- rary dis- able- ment.	Death	Perma- nent dis- able- ment.	Tempo- rary dis- able- ment.
				Rs.	Rs.	Rs.
Factories...40.	166	3,090	368	46,410	49,803	45,853
Mines..... 5	-	85	-	3,300	-	786
Tramways.. -	-	64	-	-	-	1,311
Ports..... -	1	54	-	-	504	1,977
Manufacture of Explo- sives.... -	5	54	-	-	1,071	291
Plantations.15	6	159	14,750	1,774	4,218	
Generation, etc. of Ele- ctricity. 10	2	85	18,600	252	2,106	
Total...	68	3,531	83,060	53,404	56,542	

No accident was reported in case of minors.

Cases before Commissioner.- The Commissioner for Workmen's Compensation dealt with 115 cases of award of compensation of which 23 were disposed of during the year. There were 284 cases relating to deposits. In 201 cases money was disbursed to workers or their dependants, 3 cases were transferred to other commissioners ~~with~~ and in 9 cases the money was refunded to the employers. There were 334 cases relating to registration of agreements of which 304 were registered as filed during the year. Of these, 270 related to permanent disablement and 34 to temporary disablement. The total amount of compensation paid in respect of the agreements relating to permanent disablement registered during the year was 140,877 rupees.

Amount of compensation paid.- The total amount of compensation deposited with the court during the year was 228,488 rupees as against 169,658 rupees during the previous year. As usual the compensation awarded ~~and that~~ to workmen and persons under legal disability was invested on their behalf in Post Office Savings Bank.

A classification of the cases that came up before the Commissioner according to monthly income of the injured workmen shows that in 183 out of 519 cases the workers had a monthly income of 30 rupees or less, in 225 cases between 30 rupees and 60 rupees and in 111 more than 60 rupees. Only in 13 cases were the workers earning more than 100 rupees per month.

(The working of the Workmen's Compensation Act in Madras during 1947 was summarised at paragraph 81, pages 86-87 of the report of this Office for August, 1948).

(Indian Labour Gazette, May 1949).

Chapter 9. Living Standards.

36

93. Co-operation.

India - July 1949.

Progress of Co-operative Movement in East Punjab: 74 New Societies Formed during April 1949.

A press note issued by the East Punjab Government states that the co-operative movement continues to make rapid progress in the Province. During April 1949, 74 new co-operative societies of different types, embracing a membership of over 1,300, were registered. Of these, 15 were soil conservation societies, 15 multi-purpose, 10 industrial and 9 thrift and credit societies.

Numerous applications for registration of new societies are also under examination by the Co-operative Societies Department.

(The Hindustan Times, 25-6-1949).

Pakistan: Taluka Banks to replace Co-operative Societies: Sind Government's decision.

rural credit
The Government of Sind has decided to abolish all co-operative societies in the Province. The Co-operative Taluka Banks, affiliated to the Central Co-operative Bank of the Province, will take the place of these societies. Each Taluka Bank, which would be required to have an initial subscribed capital of at least 20,000 rupees, will be advanced three times the amount by the Central Co-operative Bank. As against the present system under which the societies could advance amounts not exceeding 500 rupees, the Taluka Banks would be in a position to advance bigger amounts.

The Government's decision has been prompted by the fact that most co-operative societies had Hindu capital working them and had been adversely affected by the partition of India. Realisation of loans which mount to thousands of rupees could not be made during the last two years. Another defect in the present system is that while the Registrar of Co-operative Societies may pass decrees against the evaders he has no powers to execute the decrees.

It is understood the provincial Government has also under consideration the question of suitably amending the *Act, Bombay Co-operative Societies Act.*

(The Civil and Military Gazette,
20-7-1949).

57

94. Education.

India - July 1949.

~~West Bengal~~

West Bengal: Gradual introduction of Free Basic
Primary Education to be Proposed.

According to a Press note the Government of West Bengal has decided to introduce gradually and systematically free junior basic primary education for pupils of the age group of 6-11. It is accordingly proposed to recondition the existing primary schools of the Province with a view to fitting them into the new system. Setting up of new schools and reconstruction of old ones will proceed side by side to make the provision universal as early as the resources of the Province permit. It is not proposed to tie the province down rigidly to any single type of basic school, but the form or forms of basic education will be determined in the light of experience gathered and according to the genius of the people. The principle of learning through "creative activities" will be varied in its character to suit the aptitude of the children leading gradually up to a basic craft or crafts suited to local conditions, and children ~~would~~ will be taught to strive to the highest possible standard of which at their age they are capable.

Basic schools will be set up in accordance with the following general principle: (1) Basic schools will be set up as "Government sponsored" schools. They will be under the jurisdiction of the District School Board, but the Director of Public Instruction, assisted by a small Basic Education Board, will be responsible for the supervision and proper conduct of these schools. (2) Each junior basic school will have five classes with an ultimate enrolment of 150 pupils and 5 qualified teachers, including the Head Master. (3) Each basic school will have a suitable site of about two acres of land which should be contributed by local people, free of cost. (4) A school will have adequate building for teaching and residential accommodation for teachers. Though the schools may start with four classes, they will be converted into five class schools with the least possible delay. (5) The Government will be responsible for meeting the entire recurring cost of schools, new or reconditioned, less the average amount spent by a District School Board on such a school over the last two year period. (6) The Government will also be prepared to give substantial assistance towards the construction of building and equipment for the schools.

During the current year, the programme of development of basic education will be initiated in selected areas in the district of Hooghly and basic schools will be opened in 6 villages. It is the intention of the Government that these six schools in Hooghly district and a further number of such schools in other districts as provincial resources permit, should be completed in the course of the current year. Proposals from other School Boards are likely to be

59

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

INDIA - JULY 1949.

111. Agriculture.

United Provinces: Zamindari Abolition and Land
Reforms Bill referred to Joint Select Committee.

The United Provinces Zamindari Abolition and Land Reforms Bill (vide paragraph 111, pages 63-69 of the report of this Office for ~~September~~ June 1949) was introduced in the United Provinces Legislature on 7 July 1949 and has been referred to a Joint Select Committee of the Legislative Assembly and the Legislative Council.

(The National Herald, 8 and 14-7-1949;
The Statesman, dated 16-7-1949).

United Provinces: The United Provinces Agricultural
Tenants (Acquisition of Privileges) Bill, 1949, passed
by Legislature.

The United Provinces Legislature passed during July 1949, the United Provinces Agricultural Tenants (Acquisition of Privileges) Bill, 1949, which provides for payments^{*} by tenants with a view to facilitate the abolition of zamindari and to provide for reduction of rent and protection from ejection.

Under the provisions of the Bill if a tenant holding on special terms in Avadh or an ex-proprietary tenant or an occupancy tenant or a hereditary tenant pays to the provincial Government an amount equal to ten times the annual rent, he shall be granted a declaration of privileges under which he shall not be liable to ejection under any decree or order for ejection. In respect of every instalment of rent falling ~~due~~ due after the grant of the declaration he shall pay only half of it to the person entitled to receive it and the other half shall be deemed to have been deposited with the Government.

Statement of Objects and Reasons.- The Statement of Objects and Reasons, appended to the Bill, points out that with a view to facilitating the abolition of the zamindari system the provincial Government has created a "Zamindari Abolition Fund" with 10 million rupees from the current year's surplus revenue. The Government considers it desirable that the savings of tenants should be mobilised for feeding this Fund. A tenant who contributes an amount equal to his 10 years' rent would be entitled to a reduction of 50 per cent on the sum now paid by him as rent and will pay to the State only half of this sum as revenue.

The United Provinces Zamindari Abolition and Land Reforms Bill, 1949, which has already been introduced in provincial Legislature, (vide paragraph 111, pages 63-69 of the report of this Office for June 1949), among other matters, provides for voluntary contributions by tenants to the Zamindari Abolition Fund even before the acquisition of intermediaries' rights.

The Government considers it expedient to give immediate effect to this provision and, accordingly, the present Bill makes provision for voluntary payments by the general body of tenants of ten times their annual rents. Upon such payment they will be entitled to a reduction of their rents by half and will enjoy complete protection from ejection on any ground whatsoever. The balance of their rent will be paid by the provincial Government. This will in effect give them immediately the substance of bhumidhari rights as contemplated in the Zamindari Abolition and Land Reforms Bill, and as soon as zamindari is abolished, they will be entitled to a formal declaration of their status.

(The Government Gazette of the United Provinces, Extraordinary, dated 8-7-1949, pages 1-6; The National Herald, dated 24-7-1949).

Report of the Orissa Land Laws Committee:
Abolition of Intermediaries and Decentralisation
of Land Revenue Administration recommended.

Taking over of all land in the province by Government and handing it over to local authorities for cultivation by agriculturists, abolition of all intermediaries and a radical change in the system of administration by which the land revenue administration will be decentralized have been recommended by the Orissa Land Laws Committee.

Land reform and Administration.- The ~~present~~ scheme recommended by the committee envisages the taking over of all land of the province and handing it over to the local authorities for cultivation by agriculturists without any intermediaries. The provincial Government

61

should have a Land Reforms Department under a Land Reforms Commissioner who would make arrangements for implementation of the scheme. A comprehensive Lands Management and Local Government Act should be enacted to provide for a division of the province into administrative areas known as Anchals. These Anchals would be under an Anchal Shasan which would consist of an elected Sabha, the Anchal Sabha, and an executive officer to be known as Anchal Sarbadhikari.

After the estates and other interests ^{have been} ~~were~~ taken over by the Anchal Sarbadhikari, he would act under the general supervision and control of the Land Reforms Commissioner, divide the Anchal into a number of suitable areas each consisting of one or more villages with a collection of land revenue ranging from 3,000 rupees to 5,000 rupees, for the purpose of land revenue collection and for the formation of Gram Panchayats. There would be one village officer for each such area and the Anchal Sarbadhikari would be responsible for making all arrangements for organising the Gram Panchayats, and the Anchal Sabha and also for taking over all responsibilities of the new system of local Government. In the second stage of the reforms the Anchal Sabhas would start functioning as part of the Anchal Shasan. The property of the local bodies would vest in the Anchal Shasans which would be allocated by the Land Reforms Commissioner.

Payment of "Malikana" to dispossessed intermediaries.- The proprietors, tenure holders and other persons who would be deprived of the possession and management of their estates or interests by this scheme would be entitled to receive malikana (annuity) to be paid annually and in perpetuity. For the purpose of calculating malikana the average legitimate gross income that was due during the agricultural year in which the management was taken over and the gross income derived by the zamindar and the other intermediary interests during the preceding two years would be taken as the basis. From the whole there would be a reduction of 15 per cent on account of cost of management. Malikana would be granted on such average incomes from 20 per cent for sums not exceeding 1,000 rupees to 7 1/2 per cent for incomes exceeding 500,000 rupees. Inam estates and revenue-free estates would get malikana in a different scale of 60 per cent to income not exceeding 500 rupees, 50 per cent for sums not exceeding 1000 rupees and 40 per cent for incomes exceeding 1000 rupees.

The gross assets of the permanently settled and temporarily settled estates of the province were estimated at 11.6 million rupees and the malikana on it at 18.2 million rupees. It is estimated that as far the zamindars are concerned compensation would amount to about 81 million rupees.

Prohibition of sub-letting of lands.- The Committee has suggested that sub-letting of agricultural lands should be prohibited except in case of widows, minors, invalids, prisoners in jail or persons ~~in the~~ serving in the armed forces, etc. But if it was possible to grow a second or subsidiary crop, either the ryot, or failing

him the Gram Panchayat could sub-let the land for not more than one season on a rent not exceeding twice the amount of Desh Bhag payable for that land. Religious endowments and trusts could create and continue the present service tenures under them to the extent considered necessary by the Gram Panchayats subject to the approval of the Anchal Sarbadhikari, for the fulfilment of the objects for which institutions were created.

The Committee has also recommended several proposals to prevent fragmentation of land or allowing the land lying fallow. If the ryot allowed the land to lie fallow for a continuous period of two years, except for reasons beyond his control, his right therein would be extinguished and the Gram Panchayats will dispose of the land subject to the rules of pre-emption or arrange to get it cultivated by bonafide cooperative farming societies on terms the Panchayat might consider reasonable.

(The Statesman, dated 27-7-1949).

Pakistan: Report of Muslim League Agrarian Reforms Committee: Abolition of Jagirs and Inams without Compensation suggested: Acquisition of private Land above a certain Level favoured.

The Pakistan Muslim League Agrarian Reforms Committee, appointed by the Working Committee of the League at its recent session, has submitted its report to the President of the Muslim League, recommending, among others, the immediate abolition of jagirs and inams without compensation, bestowal of full proprietary rights on occupancy tenants by compulsorily acquiring the landlords' share at a valuation four times the annual rent, security of tenure for a minimum period of 15 years to tenants-at-will together with many statutory safeguards protecting such tenants from exactions and harassment by landlords, the limitation of the area permissible for "khudkasht" to 25 acres in the case of each landlord and the liquidation of big zamindaris by prohibiting private ownership of more than 150 acres of average irrigated land.

64

Protection to tenants-at-will: 15 years' minimum period of contract recommended.- The committee is of the opinion that the most urgent social and economic need of the moment is to afford substantial and effective security of tenure to the tenants-at-will who form an overwhelming majority of the tillers of the soil and the producers of agricultural wealth in West Pakistan, and whose present status, social position and economic condition is the gravest besetting evil of the existing system of tenure. To this end the committee suggests the following steps:- (a) After ~~the~~ particular date to be specified by statute, all contracts between a landlord and a tenant for the cultivation or holding on rent of a piece of land shall be, or shall deem to be, for a minimum period of 15 years. (b) It will be made compulsory to reduce all agreements of tenancy in writing and the responsibility shall be placed on the landlord to do so subject to specified heavy penalties. A contract not reduced in writing will be presumed to extend for a minimum period of 15 years. (c) The only grounds on which it will be possible for the landlord to seek ejectment of the tenant during the statutory 15-years minimum pendency of the contract will be those at present specified under the Punjab Tenancy Act 1887, viz., that the tenant has used the land comprised in the tenancy in a manner which renders it unfit for the purposes for which he held it; where rent is payable in kind, that ~~the~~ he has without sufficient cause failed to cultivate that land in the manner or to the extent customary in the locality in which the land is situated; and where a decree for an arrear of rent in respect of his tenancy has been passed against him and remains unsatisfied. It will not be permissible to specify any conditions in the contract between landlord and tenant providing for any other ground of eviction and all such conditions will be treated as void by the relevant authority. (d) No ejectment of a tenant will be effective without a formal order of the relevant authority, even if the landlord and the tenant are privately agreed on a dissolution of the tenancy contract. (e) It will be open to the relevant authority to decide that the commission of omission complained of against the tenant for which he is sought to be evicted, merits or can be remedied by compensation or adjustment short of eviction. (f) It is necessary that procedure for the consideration and disposal of a plea for eviction should be simplified and expedited. It is therefore suggested that the ~~existing~~ procedure should be of a summary nature, that it should be possible to take a decision on the spot, and that the relevant authority appointed for this purpose should be easily and promptly available. The provisions of law should be such as to discourage pre-emptory eviction but at the same time enforce and encourage reasonably prompt payment of rent. (g) The death of a tenant during the pendency of the 15-year minimum term of tenancy should not operate to deprive his heirs of the enjoyment of the tenancy for the remaining period of the term. This limited hereditary ~~rights~~ should be provided for by the law subject to two conditions:- (i) The heirs of the tenant must cultivate the holding as a unit, and the operation of the law of Shariat must be restricted to a sharing out of proceeds and not lead to a cultivation of the land in

12
65

separate plots. This measure is meant to guard against fragmentation; and (ii) it will be open to the landlord to prove to the satisfaction of the relevant authority that the successors and heirs of the deceased tenant, or their legal guardians are not in a position to reasonably cultivate the land or pay the due rent for it, and the relevant authority may decide the position by summary procedure. (h) The death of a landlord or the resultant division of his property amongst his heirs shall not be allowed to affect the contract of tenure of the tenant in any way during the pendency of the contract. (i) It shall not be open to a tenant to transfer or sub-let his tenancy without the permission of the landlord. Provision however may be made for sub-letting by a widow, a minor or by a person who is for a reasonable purpose forced to remain absent from his village for a temporary period, if the legitimacy of the need is proved to the satisfaction of the relevant authority. (j) The lessee of the landlord's right in a piece of land shall be bound by all the above conditions in exactly the same way as the landlord. In other words it will not be possible to injure the ~~rights~~ rights and interests of the tenant in anyway by leasing land to another person. Similarly the permanent alienee or vendee of land shall be in the same position as the alienor vis-a-vis the tenant.

In view of the fact that the recommendations of the committee envisage substantial security of tenure to the tenant, the committee suggests that the landlord should be permitted to reserve a certain proportion of his land, with a maximum of 25 acres, for self-cultivation.

Tenants' share of produce.— The committee considers that the present share in produce ~~share~~ obtained by the tenant in most parts of West Pakistan, even if inequitable and illegal dues and services are totally and effectively abolished, is grossly inadequate and is an insufferable injustice to the labour and industry of the actual toiler, and recommends that the principle of the substitution in each case of cash rent for share in produce for batai should be accepted and enforced by law. This will make the tenant more independent of and liable to less vexation by the landlord and it will also benefit him economically. This cash rent should bear a definite proportion to the land-revenue charged by Government. In view of the fact that to make this system really equitable some changes will have to be introduced in the present method of land-revenue assessment in some parts of West Pakistan, it is suggested that the sliding scale assessment of land-revenue should be perfected so as to become closely reflective of the periodic fluctuations in price, that it should operate both upwards and downwards in precise relationship with the price, and that it should be made of general application ~~in~~ throughout West Pakistan.

The committee also suggests certain immediate reforms in the batai system, as it would take time for a general substitution of cash rent for batai. It therefore recommends that: (a) The maximum share of the gross

68
66

produce which may be charged by the landlord as rent should be fixed by statute at two-fifths of the gross produce. The landlord should be liable to pay all Government dues, viz., land-revenue, water-rate, local-rates, ^{etc.} out of the 2/5ths share obtained by him; (b) the minimum share that will be secured to the tenant by statute should be 3/5ths of the gross produce, the normal expenses of cultivation to be ~~included~~ incurred by the tenant; (c) if by existing customs or usage in any locality the tenant is obtaining a more favourable principle of batai than the minimum fixed by statute, he must be secured in the enjoyment of such more favourable rights; and (d) if the landlord leases out his land, the landlord and the lessee together must be limited to the share specified above.

Whatever be the basis of rent, cash rent or batai, the committee recommends the setting up of joint boards, with equal numbers of landlords and tenants, to decide, on application, fixation of rents.

Liquidation of large estates: Maximum limit proposed.- The committee recommends that all lands in possession of a landlord above a certain limit - 150 acres in the case of average irrigated land, the ~~average~~ average in the case of other types of land to be determined relatively - should be compulsorily acquired by the State. Such acquisition can take various forms. The State may acquire all the land at once or the acquisition may be gradual. The committee suggests that if the principle of compulsory State acquisition of all private land above a certain level of ownership is accepted, the Government should set up a representative committee to investigate and recommend the most suitable forms and methods of State acquisition, and bearing in mind the resources of the State and the urgency of the reform, to determine the period of time over which the process should be spaced.

Compensation.- In the committee's view the moral basis for the claim of compensation on the part of landlords is not above controversy. Landlordism in Pakistan is a historical accident which has already conferred vast advantages and profits on generations of its beneficiaries, and it would be illogical to make that a justification for the conferment of further advantages. However, to avoid fiction and maladjustment in the economic life the committee recommends that the big landed estates may be eliminated without compensation over a period of a two generations by operation of a system of death duties or compensation should be paid on a moderate scale. The highest rate of compensation should be six times the annual value of a property, and that this should be applied to properties up to 1500 acres. By a slab-system of assessment the compensation for the next 1500 acres should be at five times the annual yield, for the slab between 3000 and 4500 acres at four times, and for all the acreage of land above 4500 acres at three times the annual yield. All payment of compensation may be subject to a final maximum which may be fixed at 1.5 million rupees. At least 20 per cent of the compensation money in case of properties below 1500 acres and at least 10 per cent of the compensation money in case of properties above

1500 acres should be paid in cash; while the rest of the compensation money may be paid in Government bonds bearing 4 per cent annual interest and redeemable in 20 years.

The committee emphasises that to prevent the re-formation of large estates, i.e. of estates above the statutory maximum of 150 acres, by way of purchase, gift, inheritance, etc., legislation will have to be passed, prohibiting any person in the future from ~~acquiring any~~ acquiring ~~any~~ land above the legal limit, and of making the excess liable to confiscation by the State.

Future of Pakistan's agrarian economy.- Finally, the committee points out that to some extent all the methods indicated above will have to be combined in a nationwide elaboration of a scheme of land-settlement. The details will have to be worked out by expert investigation, but the largest encouragement should be given to the formation of village collectives and co-operatives. The State, should employ every opportunity of largescale settlement such as would be opened up by a decision to eliminate ~~the~~ landlordism, to encourage collective and co-operative rather than individual farms. Once resettlement on the basis of economic holdings takes place it will be necessary to secure the indivisibility and inalienability of economic holdings by legislation, otherwise in course of time, the inevitable tendencies towards fragmentation will assert themselves.

('Dawn', dated 29-7-1949).

112. Indigenous Workers.

India - July 1949.

Bihar: Committee appointed to prepare
5-year Plan for Harijan Uplift.

The Government of Bihar has constituted a committee to prepare a five-year plan of Harijan uplift. The step has been taken, as a well considered plan is necessary to ascertain the minimum requirements of Harijans and to utilise the resources available in the best possible manner in order to raise their social, educational and economic level. The committee consists of 9 members with Mr. A.V. Thakkar as chairman.

(Supplement to the Bihar Gazette,
dated 13 July 1949, page 347.)

113. Navigation.

India - July 1949.

India: Directorate of Shipping set up.

The Government of India has set up a full-fledged Shipping Directorate at Bombay with a view to facilitating smooth administration of all matters pertaining to shipping. Bombay has been chosen as the headquarters of the directorate because it is the most important of all Indian commercial ports with a number of shipping establishments located ~~was~~ there.

The Director-General of Shipping, who will be the head of the organisation, has been given wide executive powers to dispose of matters on the spot.

(The Times of India, 15-7-1949).

Report of the Sailing Vessels Committee:
Organisation on an All-India Basis favoured.

The Sailing Vessels Committee, which was appointed by the Government of India in May 1948, under the chairmanship of Mr. C.A. Buch, to report on steps to be taken for development of the sailing vessels traffic in Indian waters, has recommended that the sailing vessels industry should, ~~then~~ through co-operative effort, organise itself on an All-India basis to nationalise the traffic, standardise usages and get rid of anti-social practices. The committee has made about 75 recommendations with a view to making the sailing vessel a safer, more expeditious and efficient unit of transport than it is today and the personnel afloat better trained, competent and reliable.

The committee has urged immediate organisation of the industry on economic lines and pointed out that sailing vessels, for a long time to come, will have a vital role to play in the economy of the country, not only as a peace-time transport, but as a reserve in an

emergency. Besides, there are hundreds of minor ports on the coast, and scores of commodities which can be economically served only by sailing vessels. The committee agreed that the traffic should not be subjected to any official control of a nature such as that imposed during the war except as a last resort, nor should any official or semi-official central booking agency be set up. Some kind of official machinery might, however, have to be devised to create conditions whereby the industry could be guided in the matter of organising itself and rationalising traffic.

Central organisation of shipowners, shippers, brokers and floating personnel favoured.- The committee feels that much could be achieved in safeguarding the interest of shipowners, shippers, brokers and floating personnel if the various associations in the industry at present unorganised and unco-ordinated would become more active and form a central organisation to standardise usages, customs and practices with definite benefits, privileges and sanctions attached to membership.

The committee deprecates unplanned and haphazard activity by official or non-official agencies and has recommended that like the steamships traffic, coastal traffic should be under Central control, preferably under the Director-General of Shipping. It is recommended that there should be a uniform and centralised system of registration and measurement and that survey and construction of sailing vessels should be the concern of the Mercantile Marine Department of the Shipping Directorate. It is also proposed that coastal traffic under sail should be reserved for vessels on the Indian register and that the definition of 'ship' in the Control of Shipping Act 1947, be amended to include sailing ships employed in the coastal trade as also in the adjacent and overseas trade of India.

Steps for encouraging use of sound vessels urged.- Stressing the need for scientifically constructed, sound, efficient and sea-worthy vessels, the committee recommends that the Government should make available to the industry technical advice and supervision. Complete details of architectural plans, drawings and specifications should on payment be placed at the trade's disposal. Materials required should be supplied at controlled rates and under Government priorities and, if necessary in the form of cheap long-term loans secured against the vessels concerned. The Government should encourage the fitting of auxiliary engines on sailing vessels by undertaking to supply certain approved types of marine engines at cost price to the owners of vessels. Facilities should be also be made available for the fitting of vessels with engines and for the repair of engines, without profit charges, in Government or quasi-Government workshops. It is also suggested that, for the economic operation of the vessels, they should be granted all port and other facilities which are granted to steamers.

71

Master's licence.- While the committee pays a tribute to Indian seafarers for having a sound tradition of the sea in their blood, it recommends that a master's or mate's licence be issued to all masters and mates who are in charge of any coasting vessel of 40 tons or over, subject to certain conditions being fulfilled, such as slight tests and familiarity with simple nautical instruments.

Referring to "the problem of problems" - fraudulent jettisoning - which is frequent on the west coast, the committee feels that this malpractice is largely responsible for reluctance on the part of insurance companies to cover risks and their insistence on questioning the legitimacy of claims even when jettisoning may have been genuine. The committee has recommended that, until the industry was reasonably free of these malpractices, every case of jettisoning should be treated as a matter for police investigation and was laid down strict procedure for the purpose.

(The Times of India, dated 18-7-1949).

72

117. Shopworkers.
India - July 1949.

Bombay: Working of the Bombay Shops and Establishments Act 1939, during 1947.

Extension of the Act to new areas.- The Bombay Shops and Establishments Act, 1939, was extended during the year 1947, to 6 new towns, bringing the total number of local areas covered by the Act to 40.

A large number of prosecutions were launched during the year. One of the reasons for the large number of defaulters was the tendency to look with scant respect at some of the provisions of the rules. Moreover, the fines levied were small and many of the municipalities requested Government to enhance the penalties. The following table shows the establishments and persons covered by the Act and prosecutions launched:-

	Total number of		Prosecutions		
	Establishments	Persons employed	Succ-essful	Unsucc-essful	With-drawn
Bombay City	53,295*	146,320*	5,091	86	36
Ahmedabad Municipal Borough.....	Not Known		1,380	24	24
Poona City Municipal Borough...	7,588	17,750	137	-	8
Sholapur.....	2,531	5,475	24	-	-
Surat.....	3,008	12,000	99	5	-
Broach.....	4,082	4,030	7	-	3

* Figures compiled from the 1941 census report.

Complaints.- The MR review observes that the Act has made the shop assistants conscious of their rights and privileges and on several occasions they have lodged complaints against their employers. But a large majority of employees are still under the thumb of their employers and withdraw their oral complaints in the presence of their employers for fear of dismissal. Trade Unions of employees are still absent in several towns.

During the year no new exemptions were granted.

During the year a committee was appointed by the provincial Government with Mr. Shantilal H. Shah, as Chairman to enquire into the working and to make a recommendations for improving the administrative and substantive provisions, of the Act. The report of the committee was submitted by the end of the year, (vide paragraph 117 pages 91-97 of the report of this Office for March 1948).

(The Working of the Bombay Shops and Establishments Act, 1939, during 1946 was summarised at paragraph 117, page 119 of the report of this Office for September, 1948).

(Indian Labour Gazette, May 1949)

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

Economic Questions

- (a) Economic Research Memoir No.2: Economic Analysis of the American Market for Jute and Jute Manufactures: By D. Ghosh, with Statistical Note on the Elasticity of Demand for Hessian in U.S.A. by K.C. Sasak, Director of Economic Research, Indian Central Jute Committee: Published by the Indian Central Jute Committee, 4, Hastings Street, Calcutta; pp.36: Price Rs.1-4 or 2s.
- (b) Department of Commercial Intelligence and Statistics, India: Trade Statistics relating to the Maritime States in Kathiawar and the State of Travancore for the 12 months ending March 1948; Published by the Manager of Publications, Delhi, 1949: pp.82; price Rs.3-14 or 6s.8d.

Employment and Unemployment

Report of the Committee to consider the Questions of Decasualisation of Labour and Recruitment of Industrial Workers through Employment Exchanges; Allahabad, Superintendent, Government Printing and Stationery, United Provinces, 1949: pp.48.

