INTERNATIONAL LABOUR OFFICE INDIAN BRANCH

Industrial and Labour Development in September, 1949. N.B.-Each Section of this Report may be taken out separately.

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - SEPTEMBER 1949.

11. Political Situation and Administrative Action.

Labour Welfare in Hyderabad: Advisory Committee appointed.

A Labour Advisory Committee, on a tripartite basis, has been appointed by the Government of Hyderabad State.

The Committee will advise Government on krand broad principles of labour policy, industrial relations; labour laws, rates of wages and dearness allowances, etc. It will have not less than 20 and not more than 24 members with representatives of Government, labour and employers in proportion of two, one and one.

The Labour Momber of the Hyderabad Government will be the Chairman of the Committee.

(The Hindu, dated 14-9-1949).

CHAPTER 2. INTERNATIONAL ORGANISATIONS AND POLITICAL NON-PROFESSIONAL ORGANISATIONS.

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INDIA - SEPTEMBER 1949.

22. Regional Institutions.

Statistical Training Centre for Asia: Joint venture by U.N., F.A.O. and India.

It is understood that a Statistical Training centre for Asia and the Far East will be established in New Delhi during the last week of October 1949. Jointly sponsored by the Food and Agriculture Organisation, the United Nations and the Government of India, the training programme is expected to last about 14 weeks.

The training centre will be staffed by special experts from the Food and Agriculture Organisation of the United Nations and from technical agencies of the Government of India. The courses given will impart information on problems connected both with the theoretical and practical aspects of planning and conducting census and programmes for current statistics. There will also be refresher courses in Mathematics and Statistics.

(The Hindustan Times, 29-8-1949).

23. Non-Governmental International Organisations.

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India - September 1949.

International Islamic Economic Conference to be held in Karachi: Eight Muslim Countries support Pakistan's Proposal.

It is understood that eight Muslim countries - Egypt, Iran, Iraq, Saudi Arabia, Syria, Lebanon, Yemen and the Sheikhdom of Muscat - have so far accepted Pakistan's invitation to participate in an International Islamic Economic Conference to be held in Karachi during November 1949. Besides non-official delegates to the conference, official observers from various Muslim States, including Indonesia will also attend. Delegations representing Muslim commercial interests in Aden and Ceylon are also expected.

According to an Executive member of the conference, the aim of the conference was to give a practical shape to the conception of what the Prime Minister of Pakistan recently characterised as "the third ideology - Islamism".

The comprehensive list of subjects that has been tentatively suggested for discussion at the conference includes agriculture, consolidation of howrdings, community and state farming, industries, power and fuel, currency, banking, exchange, trade (internal and foreign), transport, communication, education, establishment of a World Muslim Bank, food, establishment of prospecting firms, geological survey of Muslim States, collective development of armunition and ordnance factories, and a dagon others, che.,

A motion tabled by a member of the Executive Committee, which will come up for discussion at the conference, recommends to the Governments of all Muslim States to constitute an Economic Commission comprising of experts drawn from all Muslim States to study the above mentioned subjects and submit its report to the next conference to be held in 1950. The motion calls upon the United Nations Organisation to place at the disposal of the Commission the services of two or three technological and minerological experts to guide and advise the Commission in its deliberations.

('Dawn', dated 18-9-1949).

CHAPTER 3. PROFESSIONAL ORGANISATIONS.

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INDIA - SEPTEMBER 1949.

31. Workers' Trade Union Movements.

Working of the Indian Trade Unions Act, 1926, during 1947-1948.

The following information regarding the working during 1947-48 of the Indian Trade Unions Act, 1926, is taken from a consolidated summary of provincial reports on the working of the Act as published in the August 1949 issue of the Indian Labour Gazette:-

Number of registered trade unions and membership .- The total number of registered trade unions at the end of March 1948 was 2,766, as against 1,725 in the previous year. Thus the increase in the number of trade unions was about 50 per cent following an increase of 75 per cent during the previous year. This phenomenal increase in the number of unions is attributed mainly to the desire on the part of the workers to organise themselves with a view to securing improvement in their working conditions, wages and general standard of living. The United Provinces - report mentions as contributory causes: (1) the Governmont's industrial relations policy of providing advantages of the machinery set up for settlement of industrial disputes only to registered trade unions; (2) the desire of various political parties to increase their influence among the working classes; (3) the enactment of labour laws conferring special privileges on registered unions; (4) the desire of the workers to unite for safeguarding their interests; and (5) the attempts by some of the employers to set up trade unions under their influence.

The partition of the country in August 1947, had, no doubt an adverse effect on trade unionism, particularly, in the provinces of East Punjab, Delhi and West Bongal. The general disruption of the industrial structure and the dislocation of commercial activities in the East Punjab wiped out a number of active unions and badly crippled the remaining mainer of active unions and badly crippled the remaining mainer ones. The result has been that although in 1946-47, there were 108 registered unions in this area, returns under the Act for 1947-48 could be obtained only from 8 unions. Nothing is known regarding the rest. Of the 2,666 registered unions known to be in existence, (excluding the 100 unions in East Punjab regarding which no information is available) 72 were employers' unions and the rest organisations of workers. Unions whose objects are not fonfined to one province numbered 109 in all, the remaining being provincial unions. Of the 2,766 unions on the registers at the end of 1947-48, only 1,628 submitted annual returns showing details of membership, funds, etc. The total membership shown by these registered unions was 1,662,929 at the end of 1947-48 as against 1,331,952 in the previous year. Membership of the unions submitting returns increased by 32 per cent during the year under review. The number of women members formed 6.2 percent of the total membership at the end of the year compared to 4.9 per cent in the previous year. The average membership per union was 1,021 at the end of the year as against 1,335 in the previous year. Ð.

Size of unions. A frequency distribution of the <u>ruginizer</u> registered trade unions which submitted returns, by membership, when shows that as in the previous year, the modal group was that of a membership of LOO to 299 and accounted for over 30 per cent of the unions and 5.4 per cent of the total membership. There were 17 unions having a membership of 20,000 or more and these accounted for 27 per cent of the total membership.

Funds of unions .- The total income of registered trade unions, including 48 employers | unions was 5,689,361 rupees; opening balance 3,692,263 rupees; expenditure 4,463,085 rupees; and closing balance 4,918,541 rupees. The 48 unions of employers showed a total income of about 2 million rupees during the year under review and an expenditure of about 1.5 million rupees. The closin The closing balance of these unions was of the order of 2.4 million rupees. Workers' unions which submitted returns showed a total income of about 3.7 million rupees and a total expenditure of 2.9 million rupees with a closing balance of 2.5 million, rupees. The average income per union was 41.674 rupees for the employees' associations as against 2,335 rupees for the workers organisations. The central unions had generally a higher income than the unions whose objects are confined to one province. The average income of the central unions during the year was as high as 29,861 rupees. The Indian Jute Mills Association (an N employers organisation classified as a central union) alone had a total income of 1 million rupees during the year under report.

Provincial figures. A frequency distribution of unions and their membership according to provinces shows that of the 109 central unions 54 were in West Bengal, 2] in Madras Bombay, 17 in Madras, 12 in the United Provinces, 5 in Delhi and one each in East Punjab and the Central Provinces and Berar. Of these, 67 unions submitted returns showing a total membership of 3]4,181 at the end of the year as against 226,344 at the beginning. The average membership of the central unions was 4,689 at the end of the year as against 5,378 at the beginning. Of the provincial unions, as many as 926 were in West Bengal, 512 in Madras and 506 in Bombay. The average membership per union was the highest in Bombay being 1,287, the lowest was in East Punjab being 152 compared to an overall average of 864 for all provincial unions, submitted returns. About 40 per cent of the vomen membership was reported from Madras, about 24 per cent from Bombay and about 11 per cent each from West Bengal and Bihar. The following table gives the comparative figures of registered trade unions and their membership in different provinces during 1947-1948:-

Province	Number of unions	Number of unions	Membership o ind ret	f unions submitt- urns
	on registers	submit-		- At the end of
1	2	3	<u>4</u>	5
Central Unions Provincial Unions-	109	67	226,344	314,181
Ajmer-Merwara	11	11	5,907	6,031
Assam	80	43	15,030	46,706
Bihar	238	104	83,056	123,137
Bombay	306	246	289,850	316,622
C.P. and Berar	94	55	24,979	40,198
Dolhi	47	32	20,903	20,444
East Punjab*	7	7	963	760**
Madras	512	346	156,383	242,628
Orissa	54	25	4,409	5,634
U.P	282	209	84,556	127,682
West Bengal	926	483	345,637	418,906
Total.			258,017	1,662,929

* Information incomplete in respect of East Punjab. ** Relates to 5 unions only. *** Relates to 340 unions only.

Industrial classification of trade unions - A classification of the unions and their membership according to industry shows that about 10 per cent of the unions were connected with railways and transport otherthan tranways and accounted for 24 per cent of the membership. Textiles accounted for 14 per cent of the unions and 26 per cent of the membership. The average membership per union was the highest among the seamen's unions being of the order of 7,180. Women members were mostly to be found in unions connected with textiles and miscellaneous industries. Of the 48 employers! unions which submitted returns 38 were in the miscellaneous group, 5 were intextiles, for 4 in railways and one was connected with printing presses. miscellaneous group comprises of a number of important The industries like collieries, plantations, sugar mills, etc. A detailed examination of the reports has shown that there were 53 unions connected with the coal mining industry in Bihar. Twelve out of these submitted returns showing a total membership of 41,470. There were 30 unions connected with plantations in Assam and Madras. Ten out of these submitted returns and showed a total membership of 77,218. Unions connected with the sugar mill industry in United Provinces were 74 in number, out of which 67submitted returns showing a total membership of 54,355. The following table shows the number and membership of trade unions during 1947-1948, classified according to industries:-

6

Humber of unions submitting returns.	Nombership at the ond of the year.
150 6 228 63 70 9 30 13 192 867 1,628 222 Unions.	384,863 17,686 430,844* 25,737 39,154 64,616 43,093** 10,627 98,333 547,976*** 1,662,929
	submitting returns. 150 6 228 63 70 9 30 13 192 867 1,628

** Relates to 28 Unions.

Federations. At the close of the year there were 17 federations on the register as compared to 7 in the previous year. Of these, 5 were in West Bengal, 3 in the Central Provinces and Berar, 2 each in Bihar, Bombay and Madras and one each in Assam, East Punjab and the United Provinces. Annual returns were received from 14 of the federations showing a total membership of 546 affiliated unions at the end of the year as against 372 at the beginning of the year. The total income of these federations was 127,394 rupees and the expenditure 109,169 rupees. As much as 54 per cent of the income and 60 per cent of the expenditure were accounted for by the Textile Labour Association,Ahemdabad.

Current trends .- The review sums up the current trends in trade unionism as follows :- (i) There has recently been a phenomenal increase in the number of registered trade unions especially after the end of the last war. The number of unions has increased to more than 2 1/2 times during the last two years. (ii) The reported membership has reached 1.66 million (the record figure of Abs 6 laths and is about double the 1945-46 figure. The average membership per union continues to diminish and the percentage of women members is on the (iii) The financial position of the trade unions increase. was generally sound, the total income showing an excess of the run 1.2 million rupees over the expenditure. The closing balance were of the order of 2.5 million rupees in the case of workers' unions numbering 1,580 and 2.4 million rupces in the case of the 48 mmin employees unions, as against the opeing balances of 1.8 million rupeed and 1.9 million rupees respectively.

> (The Working of the Indian Trade Unions Act, 1926, during 1946-1947 was reviewed at paragraph 51, pages 4-6 of the report of this Office for October 1948).

(Indian Labour Gazette, August, 1949).

Assam: Indian Trade Unions (Amendment) Act, 1947, extended to Excluded Areas.

By a notification dated 2 September 1949, the Government of Assam has directed that the Indian Trade Unions (Amendment) Act, 1947, shall apply to the Excluded Areas of Assam.

> (The Assam Gazette, Part II, dated 7 September 1949).

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Conference of Railway Workers, Calcutta, 16 and 17 September 1949: New Union to be formed.

- A conference of railway workers sponsored by the All-India Trade Union Congress, at a meeting held at Calcutta on 16 and 17 September 1949; decided to form an organisation to be called the All-India Union of Railway Workers. The Conference, which was attended by delegates from various railways, adopted a resolution stating that the decision to form a new organisation had been taken because the Railwaymon's Federation had "ceased to function as an organ of class struggle" and was working "as an agency of the Congress capitalist Government to whose narrow interest it is ready to surrender the workers' struggle at every stage". The aim of the new body, the resolution added, would be to safeguard the interests of the workers against the "offensive of the present Government and the Railway Board", and to prepare them for a "decisive struggle to win their demands".

By another resolution the conference called upon railwaymen to close their ranks, unite on the basis of their demands and compel the Government to concede them. The demands of railwaymen include a basic minimum wage of 80 rupees for unskilled staff and of 120 rupees for Class III staff, confirmation of all temporary and casual labour, 40-hour week with a maximum of seven hours a day, etc.

(The Statesman, 18-9-1949).

Annual Conference of South Indian Railway Workers Union, Tiruchi, 28 August 1949.

The annual conference of the South Indian Railway Workers' Union was held at Tiruchi on 28 August 1949. Mr. S. Guruswamy, General Secretary of the All-India Railwaymen's Federation, presided. The Union is a representative organisation of South Indian Railwaymen, and claims to have a membership of 12,000 out of 50,000 men on the entire South Indian Railway system.

Mr. Guruswamy, in his presidential address, defended the decision of the All-India Railwaymen's Federation a few months ago not to go on strike but to get railwaymen's grievances redressed by negotiations. He recounted the various concessions now given by the Ministry of Railways with regard to leave and other matters as ar esult of negotiations by the Federation and said that they should not always lay emphasis on their rights alone, but should also be conscious of their added responsibilities in an independent India.

Resolutions.- Resolutions appealing to all railwaymen and other workers in the country to work for the preservation of the hard-won national freedom, the economic uplift of the masses and resist the anti-national propaganda and activities of disruptive elements were passed at the Conference.

The Conference strongly condemned the various acts of violence and sabotage by anti-social elements in the country and while supporting the Government on the measures it had taken to check them, warned the Government against "overstepping the mark".

The Conference welcomed the formation of a national territorial force and recommended the formation of a unit on the railways provided trade unions rights were fully guaranteed. It further urged upon the Ministry of Railways to expedite its decision with regard to the Pay Commission's recommendations and implement them without further delay.

(The Hindu, dated 29-8-1949).

Liysore State Labour Conference: Government urged to afford Workers Opportunity for Organisation and Expression.

A conference of representatives of several labour organisations in Mysore State was held at Bangalore on 27 and 28 August 1949. Mr. Asoka Mehta, General Secretary of the Hind Mazdoor Sabha, presided.

Mr. Asoka Mehta, in his presidential address, said that the conference brought together representatives of various Labour organisation in the State with the object of deciding the future character of the organised labour movement in the State. Explaining the objectives of the Hind Mazdoor Sabha, Mr. Mehta stated that the Indian National Trade Union Congress was formed without the sanction or approval of the working classes. The Hind Mazdoor Sabha, on the other hand, was working in a different spirit. It was on the support of the workers that the fabric of the Sabha was sought to be formed and strengthened.

Resolutions.- The Conference by a resolution urged the Government to appoint a committee, including the respresentatives of organised workers, to frame trade union laws that would afford workers the maximum opportunity for organisation and expression. A resolution, adopted on civil liberties, condemned the investing of excessive powers in the hands of ordinary police officers and deprecated all repressive measures and laws. By another resolution the Conference appealed to the Government to reinstate the workers who had been dismissed for participating in political struggles.

A resolution was also passed viewing with great concern the retrenchment policy of the Indian Government in the defence establishments and requesting the Governmont to stop forthwith the retrenchment policy, unfil necessary arrangements were made for their alternative employment. The resolution was moved by Mr. A. Ananthan. The Conference, by another resolution, approved the constitution of Hind Mazdoor Sabha in Mysore State on the lines of the parent body.

(The Hindu, dated 29-8-1949).

10

Meeting of National Union of Railwaymen of India and Burma: Mr. Frank Anthony re-elected President.

At a meeting of the National Union of Railwaymon of India and Burma, held at Bombay on 31 August 1949, Mr. Frank Anthony was re-elected President of the Union for the ensuing year. Mr. S. Gurn was elected vice-President.

The Union resolved to change its name to the National Union of Railwaymen. It was also decided to shift the head office of the Union from Bombay to New Delhi.

(The Times of India, 1-9-1949).

Pakistan: Pakistan Trade Union Federation to participate in Peiping Conference.

The Pakistan Trade Union Federation has accepted an invitation from the World Federation of Trade Unions to participate in the conference of trade union organisations of Asian and Australasian countries opening at Peiping (China) during November 1949. The Federation, it is learnt, is likely to send a five-man delegation to the conference.

The proposed agenda of the conference, which is expected to last about a week, includes: (1) Establishment of & World Federation of Trade Unions plan of action in the participating countries for the "devolopment and defence of trade union freedom", the participation of the trade union organisations in the activities of the World Federation of Trade Unions trade departments, the improvement of workers' living standards and "and the peoples' struggele for national indemendence"; and (2) establishment of a permanent World Federation of Trade Unions liaison bureau in Asia.

//

Pakistan: West Pakistan Kisan Conference: Abolition of Landlordism without Compensation demanded.

About 100 delegates from the districts of Lahore, Multan, Lyallpur, Montgomery, Gujranwala, Sialkot, Mianwali, Campbellpore, and Rawalpindi attended the annual meeting of the West Punjab Kisan workers held at Lahore on 3 September 1949.

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Mr. Feroze-ud-Din Mansur, Secretary of the West Punjab Kisan Committee, in a report presented to the meeting emphsised that the conference was being held at a time when the world was divided into two blocks, Whe feudalist and imperialist systems were dying and a socialist system with people's democracies. The report added that in Pakistan the kisans led by kisan committees were fighting for the "land to the tiller" demand and the abolition of landlordism without compensation".

Resolutions. By a resolution the Conference demanded abolition of landlordism without compensation for effective rehabilitation of refugees, withdrawal of the 40 per cent abiana on small peasants and tenants, opening of more health centres and provisions of medical aid in rural areas. The resolution condemned what it described as "the repressive and undue taxes" imposed by jagirdars, and characterised the recommendations of the Muslim League Agrarian Inquiry Committee as " a clever move to hoodwink the people", (vide paragraph 111; pages 62-67 of the report of this Office for July 1949).

In a resolution on the international situation, the Conference called for support of the people for the Soviet Union, Pakistan's withdrawal from the British Commonwealth of Nations, and severance of relations by Pakistan with what the Conference described as "the Anglo-American war-monger group".

> (The Civil and Military Gazette, dated 4 and 6-9-1949).

33. Employers' Professional Organisations.

13

India - September 1949.

16th Annual Session of All-India Organisation of Industrial Employers, New Delhi, 15-9-1949: Capital's Rolo defended.

The 16th annual session of the All-India Organisation of Industrial Employers met at New Delhi on 13 September 1949, with Mr. Shanti Prasad Jain, the president of the Organisation, in the chair. The session was inaugurated by Dr. Syama Prasad Mookerjee, Minister for Industry and Supply, Government of India.

Prosidential address: Role of capital defended.-Mr. Jain, in his presidential address, analysed the present economic situation in the country, from an industrialist's point of view. Answering charges that capital had been on a major strike, Mr. Jain said that capital expenditure in the industrial field in the country during the 30 years up to 1940 was to the tune of 10,000 million rupees an average expenditure of 350 million rupees a year. According to the Commerce Minister, capital goods imported during the year ended 31 March 1949 were to the value of 800 million rupees. The capital required to transport the machinery to factory site and for land building and for normal working would be to the tune of 2,000 million rupees. On the pre-war basis this worked out to 500 million rupees per annum. It was clear, therefore, that in spite of the uncertainties in the industrial market capital had come forward to invest and develop the industrial structure of the country. If speedy industrialization was to be realized, facilities for capital formation have to be accorded. The Government should review its taxation policy and readjust it in such a way as to make industrial investments possible. Extension of credit facilities is an important factor. The drive for national savings should be so intensified as to further help capital formation. Labour should co-operate with the industrialists and the Government to ensure that increases in their incomes were saved for investment purposes so that they might also join the investing class.

The most important item now in industrial prices was labour cost. This was not only due to higher wages but also due to decreasing output. During the last two years gains to the labour, as admitted by the Labour Minister himself, had been to the kunneff tune of 160 million rupees. The total wages bill rose from 500 million rupees in 1939-40 to 1,650 million rupees in 1947-48. At the same time while the remuneration of labour had increased by three times, the output had fallen Sixparcent by 35 per cent. Go-slow technique and absenteeism had also increased. It wanted appears that a sense of betterment and security had brought about loss of productive efficiency. Mr. Jain thought most industries in India were overmanned. For the industries the problem was not merely of producing more, but of selling within and outside the country what was produced.

Plea for uniformity. Referring to lack of uniformity in regard to provincial legislations, Mr. Jain said, unless uniform principles were laid down under the overall control of the Central Government in the matter/of reference of disputes to adjudication, appeals and enforcement of awards etc., all attempts at securing industrial peace would prove futile.

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Industrial housing. Another important problem affecting industrial labour was housing. Mr. Jain welcomed the principle underlying the Government's scheme for housing industrial workers, but felt that it imposed a greater burden on the employers than on the other parties concerned.

Dr. Mookerjee's address. Dr. Syama Prasad Mookerjee, Minister for Industry and Supply, Government of India, referred to the plea for reducing costs of production, and said that while it had been emphasised by Mr. Jain that the cost of labour, raw materials and railway freights shouldbe reduced, nowhere had it been suggested that even an attempt might be made to reduce the employers' profits or to reduce overhead expenses. Referring to the control over commodities, he said that if the representatives of industry and trade were prepared to take up the responsibility and said that they would make available sufficient quantities of a commodity and that it wouldbe distributed to the people of reasonable prices, the Government was prepared to withdraw control on that commodity.

Employer-labour relations.- Emphasising that the problem of labour could not be solved by Government intervention at every stage, Dr. Mookerjee said that the best way of solving the problem was to create an atmosphere of confidence between employers and labour so that both might trust each other and both might feel that they are working in a spirit of comradeship for a cause with which national prosperity and welfare are intimately concerned. Dr. Mookerjee suggested that efforts should be made to organise, at least once a year, a joint meeting of representatives of employers and labour to discuss various problems jointly. It might not be possible to adopt any resolutions at such meetings but they would be able to discuss and understand better each other's difficulties.

State control of industries. In conclusion, Dr. Mookerjee referred to fears expressed about the powers that the Government was assuming for controlling some industries, and said the Government was quite willing to transfer those powers immediately if the industrialists would undertake a certain amount of responsibility on behalf of the people of the country. The Government was not anxious to exercise control, for appointing a few officers, or for exercising patronage and favouritism. It exercised control only for the purpose of ensuring that essential commodities were made available to people is at reasonable prices. Calling upon industrialists to make a constructive approach, Dr. Nookerjee explained that there were some essential industries which should be developed in a planned way.

Industrialists themselves had asked the Government for protection whenever they felt there was undue competition. or when they felt that imports from abroad in respect of products from abroad to a sector of products from a sector of products from a sector of the sector of t available in India was undesirable. It was for the industry to come forward& and says which were the fields in which they did not want any Government control or supervision. The Government was anxious to have their co-operation. As far as the Government was concerned its capacity to start new undertakings would depend on the finance available. Undertakings already launched by the Government had to be seen through. 'l'he Government had entered into agreements for starting a machine tools factory and a cable factory. Its other undertakings, like the Hindustan Aircraft Factory, the Telephone Factory and Factory for Building Reilway Coaches, were all progressing and the Government proposed to expand them further. It had also the river valley schemes. Appealing for co-operation in building up India's industry, Dr. Mookerjee said there should not be any suggestion that the Government was capturing the field. The field was open and it was for industrialists to come forward and play their part.

> (The Statesman, 14-9-1949; Pext of Presidential Address of Mr. S.P. Jain, received in this Office).

CHAPTER 4. ECONOMIC QUESTIONS.

INDIA - SEPTEMBER 1949.

41. Industrial and Mining Production.

Advisory Committee set up for Salt Industry.

The Government of India has decided to constitute an advisory committee for salt, whose functions wouldbe to advise Government on measures to be adopted for promoting and developing the salt industry of the country on rational lines and all other matters incidential thereto. The Committee consists of 9 members with Mr. R.K. Sidhva as Chairman and the Salt Controller as Secretary.

(The Gazette of India, Part I-Section 1, dated 3 September 1949, pages 1185-1186).

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Film Enquiry Committee set up by Government of India.

The Government of India has appointed a Film Enquiry Committee to enquire into the present position of the film industry in India and to suggest means by which this important industry can be put on a sound footing and develop as a medium of education and healthy entertainment. The Committee consists of 7 members with Mr. S.K. Patil as chairman and Mr. S. Gopalan as secretary.

Terms of reference. The following are the terms of reference of the Committee:- (1) To enquire into the growth and the organisation of the film industry in India and to indicate the lines on which further development should directed. (2) To examine what measures should be adopted to enable films in India to develop into an effective instrument for the promotion of national culture, education and healthy entertainment. (3) To enquire into the possibility of manufacture of raw film and cinematograph equipment in India and to indicate what standards and principles should be adopted for the import of raw film manufacture.

The last enquiry into the film industry was held as long ago as 1927-28 and since then the industry has grown considerably. The Indian film industry today is one of the largest medium scale industries in the country. There are over 250 film concerns predesting producing annually about 200 feature films. About 18,000 persons are employed in the industry.

> (The Gazette of India, Part I, Section 1, dated 3 September, 1949, page 1218; The Times of India, dated 2-9-1949).

Pakistan: Council of Industries inaugurated: Prime Minister invites Foreign Capital.

The first meeting of the Pakistan Council for A Industries (vide paragraph 41, page 6 of the report of this Office for July 1949) was held at Karachi from 8 to 10 September 1949. Mr. Fazlur Rehman, Minister for Industries and Education, presided.

The Council, by a resolution, urged that since the Government had assumed direct responsibility for planningand development of important industries under the Development of Industries (Federal Control) Act, 1949 (vide paragraph 41, page 23 of the report of this Office for April 1949), it should take such steps whereby delays firm which take place in providing facilities for the acquisition of land, the supply of power, water and other industrial requirements are eliminated. As regards the problem of resources and requirements of technical personnel, the Council generally was of the opinion that the best possible use should be made of the existing institutions by providing them with the necessary equipment. It was also suggested the establishment of three Polytechnic institutions in Karachi, West Punjab and East Pakistan. The Council also felt that young Pakistanis shouldbe given further practical training abroad after obtaining similar training at home.

Prime Minister's inaugural address: investment of Foreign capital invited .- Mr. Liaquat Ali Khan, Prime Minister, inaugurating the Council, appealed to "advanced countries" of the world to help the "undeveloped countries" with the "the wherewithal of development" along with technical assistance. Calling to investors, both at home and abroad, Mr. Liaquat Ali pointed out that the Assessmentia Government's estimate of total capital required for the industrial development of Pakistan for the next ten years was 3,000 million rupees. The Government did not subscribe to the view that there was enough of capital in the country, and foreign capital was not essential. If Pakistan had to take rapid strides in development of industries it should obtain financial assistance from abroad. It could not await the slow process of local capital formation. As regards technical manpower, the Government was seeking to overcome the obstacle of the lack of technicians. Plans were under consideration for both the establishment of technological institutions in Pakistan and the large scale training of young men abroad.

Mr. Fazlur Rahman's address.- Mr. Fazlur Rehman, Industries and Education Minister; in his address in said that few had yet realised the far-reaching importance of the Regulation/of Mines and Oilfields and Mineral Development, (Federal Control) Act, 1948. It was no longer the responsibility of the provincial Governments to develop the main industrial resources found within their confines but the responsibility of the Contral Government. He pointed out that whilst the Government had been most scrupulous in offering guarantees to investors and facilities for the

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development of the petroleum industry, it had taken good care to see that the country's Enterests in all fields were fully safeguarded. The Government was now engaged in finalising the mineral concession rules in so far as minerals other than petroleum were concerned, and expected to be able to publish them shortly. In order to administer the Regulation of Mines and Oilfields and Mineral Development Act, 1948, the Government had created a new Department of Mineral Concessions under a Director who would take the place of an Collector's of the districts under the old mining concession regulations.

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Turning to the Development of Industries (Federal Control) Act, 1949, Mr. Fazlur Rehman said the Central Government was responsible for the planning and development of as many as 27 different types of industries, ranging from arms and munitions of war to tobacco. The targets of development aimed at in the next five years, were the result of the deliberations of various advisory committees attached to the Department of Supply and Development. There were today, as many as seven such committee dealing with the *Retrieving* following group of Industries: heavy engineering, shipbufilding, shiprepairing, light engineering, chemicals, leather, glass and ceramics and food.

Requirements of manpower. - Regarding the questions of availability of manpower and its solution, Mr. Rehman said that apart from establishing a Polytechnic at Karachi, two other similar institutions would be established in West Punjab and in Eastern Pakistan

The Government had also had under examination the question of the improvements to be effected in the courses of studies at University level in various regions. One of the handicaps from which Universities were suffering was the lack of trained technical personnel with an aptitude for teaching. The Universities were taking steps to remove these handicaps and it was hoped that these institutwin tions would be preparly manned by experienced teachers very soon. Apart from the facilities available in Pakistan, the Government also proposed to take advantage of facilities offered to it in many foreign countries. A committee appointed to report and recommend the creation of a scholarship fund of about 20 million ruppes for the training of young Pakistanis abroad had proposed that arrangements should be made for deputing 1,000 scholars in the next five years to man industries, educational institutions and Government departments. He hoped that the Government would be able to take a decision on the committee's report shortly.

Power resources. Mr. Fazlur Rehman then spoke of the power resources of Pakistan. Regarding coal he said is that the report of Pakistan's Consultants was awaited and the long term programme of development of coal resources would be chalked out on receipt of this report.

As regards oil, exploration and development work in was progressing. About <u>hydel</u> power resources he said that the question of developing these had been actively pursued from the very beginning. The Government had created a

hydro- dectrich

Central Engineering Authority to initiate, scrutinise, co-ordinate and press forward schemes for the control, regulation and utilisation of water and power resources of the country. There was one major development scheme in Eastern Pakistan cide. The multi-purpose project contemplated on the Karnafuli basin of Wall generate some 40;000 kilowatts of power and would be linked up with a fair-sized steam station in Chittagong. The with project and the 10,000 kilowatts power station might he take some time to complete. As an interim measure, therefore, the Government was proposing to instal a plant with a capacity of 4500 kilowatts in Ghitug Chittagong. Orders had been placed for generating sets with a capacity of 20,000 kilowatts and the Warsak Project should make available about 125000 kilowatts of power. Besides this, there was the Mianvali Project in West Funjab which would generate 21,000 kilowatts in the initial stage and rise to 70,000 kilowatts in the final stage. There were also a few other schemes which were now being investigated. Mr. Rehman said that the Governmont-proposed to integrate all there schemes into a single over-all plan. Recently there had been a change in the Government's policy. Originally, the Government approached this problem from the point of view of requirements of power for domestic, agricultural or industrial purposes. The angle of approach now was somewhat different. Once the motive power was made available it was hoped that people would take full advantage of it in establishing industries, big and small.

Capital requirements - On capital requirements of the country, Mr. Rehman said that Pakistan's requirements had been estimated in the next five years at 3000 million rupees in so far as industrial development of the country was concerned. Believing as the Government did in the rapid and orderly development of the country's resources, it had of necessity to ensure that the flow of capital to the extent required was provided for. It was not unaware of certain factors which had impeded such flow, especially in so far as local investors were concerned. There was, however, no doubt that even when all that was necessary in this regard was done there would still be need for assistance from abofad. There was no reason why Pakistan should not take advantage of such capital as might be offered for investment in the country. The Government. therefore, after full consideration, had decided to welcome such capital and to provide the necessary guarantees of a reasonable character. Mr. Rebran said that the Industries Promotion Corporation, which the Government had decided to establish, wouldbe responsible for the development of certain specified industries. The Government would sponsor these projects and invest money. It had every reason to think that once it took the first step, investors would follow its lead and would come forward in large numbers and seek to replace Government capital in those industries.

For the present, Government contemplated such projects as jute mills, paper, fertiliser, stoel, rubber tyres and tubes, heavy chemical, heavy engineering and shipbuilding which might require a capital roughly of 550 million rupees.

In so far as jute mills were concerned the Governhad already decided to establish three such mills with a total loomage of three thousand. This was only the first instalment and it was hoped that by the end of 1954-55 there would be another three mills with three thousand locms in accordance with the target fixed by the first Industries Conference. In the case of the paper projects the Government hoped to be able to place orders for the necessary machinery by the end of this year. A mission consisting of representatives of two well-known chemical concerns was now in Pakistan in connection with the fertilizer project. Government was provisionally of the view that a factory with a capacity of 100,000 tons of anmonium sulphate should be established in West Punjab to meet the growing requirements of fortilizers in the country.

Referring to two other projects - rubber tyres and tubes, and the steel project, Mr. Fazlur Rehman said the Government had accepted the offer of Messrs. Dayton Hubber Company of the United States of America to carry out a survey of conditions in Fakistan and to give a blueprint for a factory with a capacity of 600 tyres and 600 tubes a day. It was expected that arrangements would shortly be finalised for a survey of Pakistan in connection with the steel project.

Mr. Rehman mentioned that the Government's invitation to an expert from the Bureau of Reclamation of the Department of Interior of the United States Government to survey the country's river basins and to advise on the need and desirability of setting up regional authorities of the "T.V.A." type in Pakistan, had been accepted.

In conclusion, Mr. Rehman referred to cottage industries and said that their importance could not be overestimated, whether it be from the point of view of the wealth they produced, the numbers they employed or the contentment and the happiness which they spread throughout the land. The Central Government was vitally interested in these importance for the reasons given, but also as a means of absorbing the refugee artisans who had migrated to Fakistan. He gave the assurance that the interests of cottage workers would not be sacrificed harman because the Centre was directly responsible for the development of large-scale industries.

('Dawn', dated 9 and 11-9-1949).

42. Production and Export of Agricultural Products.

India - September 1949.

Jute Production to be increased: Agricultural Ministers Conference.

A conference of Agriculture Ministers of the jute growing provinces of West Bengal, Bihar, Assam and Orissa Was held at Calcutta on 13 September 1949. Mr. Jairandas Daulatram, Minister for Food and Agriculture, Government of India, presided.

The conference decided to set up immediate 'field parties', each consisting of one officer of the Indian Central Jute Committee, and one each of the provincial Governments concerned, to investigate locally what further acreage of land could be brought under jute cultivation.

The 'filled parties' will go round each district in the four jute growing provinces and will carry on a survey of the total available land which could immediately be utilized for the production of jute either by normal cultivation or by a process of double cropping. To check to co-ordinate the work of the 'field parties', 'Working parties' will be formed with the provincial Director of Agriculture and Director of Jutgand Agriculture Research Institute of the Government of Indiacs members.

In regard to better variety of seed production inlarger quantity, the conference was in favour of Statecontrolled or State-financed seed multiplication farms. The feasibility of providing necessary finance to the cultivators by way of short-term leans through co-operative societies was also examined.

Other subjects discussed at the conference included the provision of better marketing facilities, an examination of the cost of production of jute and the fixation of a price level which, by being **EXEMPLATER PROMPT** commensurate with the labour and investment put in by the cultivator, will serve to operate as a constant inducement to increased production.

(The Hindustan Times, 15-9-1949)

East Punjab: Reclamation of Land Ordinance, 1949 (No.XXXI of 1949) promulgated.

The Government of East Punjab has promulgated the East Punjab Reclamation of Land Ordinance, 1949, (No.XXXI of 1949), which provides for the reclamation of waste land for cultivation purposes. The Ordinance empowers the Government to enter any waste land for preliminary survey and if the Government is satisfied that the area is required for reclamation, it may, key by notification, declare such area to be reclaimable. The Ordinance also provides for payment of compensation for such acquisition.

> (Government Gazette, East Punjab, Extraordinary, dated 2-September 1949, pages 945-947).

43. Foreign Trade and Exchanges.

India - September 1949.

Rupee devalued to same extent as Pound Sterling: New Rates announced by International Monetary Fund.

A Finance Ministry communiqué, issued on 19 September 1949, announces that the Government of India's proposal to devalue the rupee to the same extent as the pound sterling has been accepted by the International Monetary Fund. The rupee will now be equivalent to 21 United States cents as against 30,2250 cents, and its par value in grammes of fine gold per rupee will be 9.186621 givingavalue of 166.6666 rupees per fine ounce of gold. This value will come into effect immediately. The exchange rate between the pound sterling and the rupee remains EXEMPT unchanged at 15.6d. a rupee.

The commaniqué points out that devaluation as a corrective to the balance of payments difficulties in regard to dollars has been urged for some time. The Government of India did not favour such a course as it was felt that in view of the general conditions of Indian economy, devaluation waynot likely to solve India's problem of dollar shortage. India's imports are regulated by controls, and the deterrent effect of high prices resulting from devaluation is therefore neither necessary nor desirable desirable. Since the supply of India's exportsessings is inelastic, her aggregate export earnings are not likely to increase by reducing export prices through devaluation. However, the decision of the United Kingdom to devalue sterling, Relievingefellow followed by similar devaluation by other countries, created a situation in which it becameimpossible for India to avoid similar action without detriment to her economy. India's trade, both export and import being so largely a trade with sterling area countries and the price level being already high, it was clear thatthe rupee could not be allowed to appreciate against sterling without undermining India's competitive position and endangering the markets for most of her exports and ultimately being compelled to reduce the volume of imports still further. Over and above the pure economic factors of relative competitive positions, current expectation that India would not be able to avoid devaluation in the face of the action taken by other countries would have acted as a powerful psychological barrier to any transactions at the old rate of exchange, and trade might have been brought to a standstill. There was thus no alternative for India but to follow the other sterling area countries and devalue the rupee as a defensive measure.

Food imports from dollar area to cease.-The communique adds that the devaluation relates only to the exchange value of the rupee in relation to certain currencies and does not affect in any way the internal value of the rupee. The devaluation will have no effect on the pix prices of commodities which are essentially of indigenous origin and which are the main items entering into the cost of living index. In particular, as there will be not further imports of foodgrains from the dollar area during the current year, food prices will not be affected. Since India is devaluing to the same extent as other sterling area countries and since she is on the whole more dependent for trade on the sterling area than the dollar area, the general price level or the cost of production should not increase and the internal prices of commodities will not be affected. The Government is at the same time taking and will take such measures as may be necessary to counteract any tendency to bring about speculative rise in prices.

(The Hindustan Times, 20-9-1949).

India: Closer Control of Imports under Open General Licence: Revised List of Articles.

A press note issued by the Ministry of Commerce says that the Government of India has revised the list of articles which may be imported under Open General Licence, and a programme for the licensing of commodities not covered by Open General Licence during July-December 1949 has also been drawn up.

The new Open General Licence, No.XVI, which replaces the Open General Licence No.XV, restricts the articles which can now be imported without licence to only 30 items.

The Open General Licence No.XVI gives general permission to all persons to import, until further notice, from all countries except: (a) countries comprised in the Continents of North, Central and South America and Philippine Islands, with the exception of Brazil, Chile and Uruguay; (b) British/American/French zones of Germany, Belgium and Belgian colonies, Portugal and Portuguese colonies (excluding Portuguese possessions in India) and Japan; (c) Switzerland; and (d) Union of South Africa, goods of the description specified in the annexed schedule, provided that such goods have not been produced or manufactured in any of the excepted territories mentioned above, and provided further that nothing in this licence shall affect the application to any goods of any prohibition or regulation affecting the import thereof in force at the time when such goods are imported. The articles include capital equipment, textile machinery, printing machinery and standard technical books.

(The Gazette of India, Extraordinary, dated 25-8-1949, pages 1453-1456; The Statesman, dated 28-8-1949).

Overall Reduction of India's Imports: Exports to balance Foreign Exchange Budgets.

Aimed at balancing the country's foreign exchange budget, the Government of India's import policy for the half-year July-December 1949, announced on 16 September 1949, envisages a substantial overall cut in the import of commercial goods not only from dollar and other hard currency areas but from sterling and soft currency menutries countries. The outstanding feature of the new pix policy is that licensing of of all articles for the period will be subject to monetary ceilings.

Other main features of the Government's new import policy are: (a) Licences will not be issued for goods suitable substitutes for which are available in reasonable quantity from indigenous sources; (b) Imports from dollar areas will be confined to essential machinery and raw materials not normally available from soft currency areas; (c) Luxury and non-essential articles will not be licensed even from soft currency areas; (d) Motor cars and motor cycles, representing only a fraction of the intake in previous half-years, will be licensed from sterling areas subject to monetary ceilings; (e) Companies with plant in India for the assombling of United States and Canadian models will be permitted to import trucks but not motor cars from those countries; (f) Articles covered by bilateral trade agreements with other countries will be licensed for import from these sources; and (g) Imports of tractors from Czechoslovakia and other sources will be permitted.

A public notice has been published in the Gazette of India inviting applications for the current licensing period.

> (The Statesman, dated 17-9-1949; The Gazette of India, Extraordinary, dated 13-9-1949, pages 1619-1772).

India: Exports under Trade Pacts: Review of Agreements.

A Press note issued by the Government of India says that for some time past, the Government has been entering into bilateral trade agreements with various countries in order to facilitate exchange of goods, and to establish and promote trade with them. A list of countries with which agreements have been ratified, or are yet to be ratified and specifying the articles which have been agreed to for oxport, is given below:-

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Yugoslavia.- Jute manufacture, linseed, coffee(raw), medical medicinal plants, cotton textiles and other commodities.

Switzerland.- Groundnuts, groundnut oil, linseed, hessians, coffee and manganese ore.

Poland.- Raw jute, raw cotton, raw cow hides, groundnut oil, groundnut, tea, coir fibre, yarn, etc.

Czechoslovakia.- Raw jute, grounnut kernels, linseed, manganese ore (low and high grade), cotton yarn waste, coir fibre, mica, groundmit oil, linseed oil, tea black etc.

Hungary - Raw jute, kyanite, cotton waste, linseed oil, and pepper.

Finland, - Tobacco, East India tanned kips, manufactures of rubber including tyres and tubes, jute goods, tea, coffee, groundnut oil, castor oil, linseed, linseed oil, cotton thread, etc.

Western Germany.- Castor seed, essential oils, linseed, raw bones and hide cuttings, jute matting goods, raw jute and we raw wool (carpet wool), tea and tobacco, mother-of-pearl, small white sea pearls, rough stones, Indian cut stones, etc.

Pakistan.- Abam Asbestos cement sheets, canvas, chemicals, coal, cloth (millmade, handloom), cotton yarn, hard wood, jute manufactures, edible oils, railway stopes, electrical steel sheets, sea salt, steel, pig iron, tobacco, (fluecured), etc.

Egypt.- Jute goods, tea, unamufactured tobacco, groundnut, linseed oil, linseed, castor oil, shellac, coffee, raw and tanned hides excluding light-weight hides, cotton piecegoods (grey), manufactures of iron and steel (cast iron pañs, other cast iron castings, builder's hardware, galvanized iron locks, iron nails, buckets), rubber tyres and tubes except giant tyres, woollen manufactures excluding light fabrics, Indian drugs and medicines, Indian coal tar dyes and colours, etc.

(The Hindustan Times, 8-9-1949).

Burma: Rupee devalued in Proportion to Pound Sterling.

In consequence of the devaluation of the pound sterling the Government of Burma decided to devalue the Burmese rupee proportionately. The new rate of exchange, according to an announcement by the International Monetary Fund, is 4.76 Burmese rupees to one United State dollar. The rupee-sterling rate remains unchanged.

(The Hindustan Times, 20-9-1949).

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Ceylon: Link with Indian Rupee cut.

On 20 September 1949 Mr. Jayawardene, Ceylon's Finance Minister, announced in Parliament that the Government had decided to sever the link between the Ceylon rupee and the Indian rupee, to legalise the position following the sterling devaluation. A Bill to this effect was passed through all stages during 20 September 1949 and sent to the Governor-General for assent.

Mr. Jayawardene added that the Government of Ceylon had intended to break with the Indian rupee when in the near future the Ceylon Reserve Bank is set up. The Government thought the present time was a good opportunity to sover the connection with the Indian rupeo immediately, as India had devalued without consulting Ceylon and it was possible she might fix another rate also without consulting the Ceylon Government.

The till also provides for fixing a new gold rate for the rupee at 2.88 grains.

(The Hindu, dated 212 21-9-1949).

Pakistan: Rupee not to be devalued: New Exchange Rates announced.

On 20 September 1949 the Government of Pakistan announced that it had decided not to devalue the Pakistan rupec in relation to the United States dollar. The new rates of exchange are: One Pakistan rupee is equal to 25.9d.

One pund storling is equal to 9.26 Pakistan Rupees.

One hundred ru Pakistan rupees equal 144 Indian rupees and repaired and 100 Indian rupees equal 69.50 Pakistan rupees.

> (The Civil and Military Gazette, dated 21-9-1949).

45. Economic Development and Control.

India - September 1949.

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Economic Conditions in India during 1948-1949: Heserve Bank of India Review.

The report of the Central Board of Directors of the Reserve Bank of India for the year 1 July 1948 to 30 June 1949, declares that the overall picture of Indian economy during the period under review, does not show any appreciable improvement as compared to conditions twelve months ago. With the re-imposition of controls and the adoption of an anti-inflation programme, the price rise witnessed in the first half of 1948 has not only been halted but to some extent reversed. Monetary circulation has shown considerable contraction during the year and inflationary pressures in general have slightly abated. Nevertheless, Indian prices and costs are still high. There are no signs as yet of a revival of investment in the country. While gilt-edged securities have maintained their strength, the industrial share market has continued on the downward course and the prices of some of the major industrial shares are now close to the pre-war level. The report suggests a concentrated drive and coordinated action to secure a substantial increase in production. Domestic investment has to be stimulated, but this has to come out of increased real earnings, if further inflationary pressures are to be avoided. The main developments during the year under review in the various spheres of Indian India's economic life as reviewed in the report are summarised below:-

General economic conditions .- The problem arising from a deterioration in the general economic situation in the country noticed during the latter half of the period 1947-48 became the major pre-occupation of the Government, as the tim year under review opened. Shortages of raw materials, difficulties of replacement of worn-out plant and machinery and the transport bottleneck continued to be the chief obstacles to a rapid return to normalcy while there was also a general lack of incentive as reflected in the continued stagnant conditions in the The situation called for a review investment market. of policies in both in the monetary and the non-monetary spheres. The action taken by the Government to combat the economic malaise included, a mitigation of import restrictions, a partial reversal of the policy of decontrol and the initiation of a comprehensive anti-inflation and the initiation of a compresentive and the initiation of a compresentive and the inport of a gradual reimposition of physical controls. decision for a graduat forth, then in the case of cotton, and finally in the case of food. The revised food policy

as announced on 24 September 1948 envisaged gradual reimposition of controls over prices procurement and distribution of the more important foodgrains, To tackle the basic problem presented by the growing gap -A and internal supplies, the Government enunciated on 19 March 1949 a new food policy, which has as its main objective the attainment of self-sufficiency by the end of 1951. In pursuance of this plan, provincial and State Governments are to initiate measures to step up production through a vigorous campaign for intensive cultivation, land reclamation, construction of tube wells, imports of special fertilisers and the development and use of high-yielding non-cereal crops. While physical controls were intended to curb open price inflation, the anti-inflation programme as announced on 4 October 1948 was designed to counteract the inflationary pressures which were at the back of these price increases. The measures adopted by the Government fall into two categories, namely, (i) those intended to keep down governmental expenditure as well as to reduce excess purchasing power in the hands of the community, and (11) those intended to increase the volume of essential goods and service. The more important measures in the first category included: (1) the balancing of budgets, Central as well as Provincial, (2) a trimming of capital expenditure by Governments, (3) postponement; with effect from 9 October 1948 of repayments of E.P.T. and other deposits, (4) the raising of the maximum permissible limit for investments in Post Office Savings Bank Deposits and in National Savings Certificates, with effect from 23 October," and (5) the limitation of dividends payme payable by public limited companies under the Public Companies (Limitation of Dividends) Ordinance, The second category of measures was designed partly 1948 to stimulate production and partly to augment supplies by allowing a larger flow of imports. The concessions to industry included liberalisation of depreciation allowances, exemption from taxation of new industrial undertakings subject to certain conditions, abolition of the capital gains tax, reduction of supar tax, reduction in import duties on plant and machinery as well as on essential industrial raw materials, reduction or abolition of duties on certain exports and top priority of transport facilities for essential key industries like cement, steel and textiles. Apart from these, direct assistance was also provided to industries through the Industrial Finance Corporation which commenced operations from 1 July 1948.

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Overall industrial production in 1948 showed a perceptible improvement over 1947 and, on the basis of available reports from some of the major industries, is expected to show a further increase in 1949. There were fewer strikes during the year, and the total number of man-days lost during the first four months of 1949 at 2.2 million was only a half of the figure for the corresponding period of the preceding year.

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Prices.-The sharp upward movement in the general price level during the latter half of the previous year, which coincided with the Government's policy of decontrol, reached a peak during the first month of the poriod under review. The Economic Adviser's General Index touched 390 in July 1948, registering an increase of 29 per cent over the pre-decontrol level in November 1947. The rise was most marked in the decontrolled sector, especially in essential consumer goods, including rice and wheat, cotton yarn and textiles and oilseeds. With a view to checking a further deterioration in the situation and pending the initiation of a fullfledged anti-inflation and programme, the measures taken early in July to liberaliso imports were followed by the reimposition of controls over cloth and cotton prices. Under the revised food policy as announced in September 1948, provincial and State Governments took action, in varying degrees, to . reimpose controls over prices, procurement and distribution in respect of rice, wheat, jowar, bajra, maize, : barley, ragi and gram. Besides an all-embracing antig inflation programme was launched. Other measures taken included fixation of sugar prices in December 1948 and further revision of cloth prices. As a result of these steps, the Economic Adviser's General Index eased from the peak level of 590 in July to 383 in August and continued steady at around that level up to December 1948. It declined in the succeeding three months, namely, January to March 1949, touching 370 in March. During the closing quarter of the year, however, there appeared to be signs of a gradual reversal of the downtrend, the Indox moving up to 378 by June 1949 an increase of 2.2 per cent over the level of 370 in March 1949. The chief sub-groups contributing to this rise were metal products (8.8 percent), textiles (7.7 per cent), pulses (2 4.2 por cent), oilseeds (5.4 per cent); minerals (3.3 per cent), and cotton yarn (2.9 per cent). Despite this rise, the General Index for June 1949 represented a reduction of about 3 per cent from the peak level of July 1948 and of about 1 per cent from the corresponding level in June 1948.

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Developments in trade policy .- Developments in trade policy during the year under review, were governed mainly by the availability of sterling from the accumulated balances and by the need for achieving a closer balance in the trade with hard currency countries. During the first half of the period, a large measure of liberalisation in respect of imports from soft currency countries was made possible by the relatively easy soft currency position resulting from the operation of stringent import controls in the previous year and sterling releases secured under the Indo-U.K. Financial Agreement of July -1948. During the second half of the year, the deteriora-tion in the country's payments position with respect nf to all the currency areas called for gradual reversal of the policy initiated earlier. In respect of imports from medium currency countries and Japan the respective Open General Licences were cancelled and the Open General Licence applicable to soft currency countries was replaced in May 1949 by another, covering a restricted list of goods; the inter latter step was necessitated by a sharp decline in sterling reserves as a result of growing deficits in the trade with sterling and other soft currency countries. Restrictions on imports from hard currency countries, which since the commencement of the year were subject to strict licensing, were further tightened in February 1949 as a precaution against a possible increase in deficits arising from the higher levels of food and other imports planned during 1949. Simultaneously with a policy of curtailing imports from hard currency countries the Government concluded several trade and barter agreements (with Bizonia, Japan, Yugoslavia, Czechoslovakia, Switzerland, Poland, Hungary, Egypt, Finland, the U.S.S.R., Argentina and Pakistan) with a view to augmenting the purchases of capital goods, foodgrains and essential raw materials like jute and cotton and facilitating a diversion imports of imports from hard to soft currency sources.

Regarding export trade a major consideration affecting the policy during the year was the need for maximising exports to hard currency countries and measures were taken by the Government for expanding exports to hard currency countries. Concurrently with the special measures adopted for promoting exports to hard currency countries, the objective of policy was to stimulate exports to other destinations as well. The control on exports of cotton priz piece goods was relaxed in March 1949 so as to admit a large number of newcomers as exporters. Trade with Pakistan also benefited from a new policy which reduced some of the formalities associated with export control; control was lifted in many respect of a family large number of items including mustard oil, salt, soap, matches, silk and woollen goods to facilitate free export of these articles to Pakistan. In April 1949, an Open General Licence was issued, covering export to all destinations of a few items of hardware, electric fans and the tea chests. Other measures taken by the Government in the interest of export trade promotion during the year were the strongthening of commercial intelligence services abroad, participation in various international fairs and exhibitions and despatch of trade delegations to various countries.

Trade relations with Pakistan. India's trade relations with Pakistan during the year were governed mainly by the agreement for the exchange of essential commodities concluded in the previous year. In May 1949, the Governments of the two Dominions reached an agreement granting mutual rebate of excise duties on each other's exports. Towards the close of the period under review in 1949, a frosh agreement for the exchange of essential commodities was singed between two Dominions. The agreement provided for the export of steel, coal, cotton textiles, jute manufactures, mustard oil, groundnut oil and vanaspati from India to Pakistan. In return, Pakistan was agreed to supply raw cotton, raw jute, hides and skins.

On the basis of published statistics, the total value of India's foreign sea-borne trade (private and Government) during the eleven months ended May 1949 amounted to 9024.8 million rupees as compared to 7832.0 million rupees during the corresponding period ended May 1948 registering a rise of about 15 per cent. As a result mainly of the country's increased dependence on foreign food and raw cotton and partly of the liberal import policy in operation during the period under review, imports increased to 5225.6 million rupees during the eleven months ended May 1949 from 4023.9 million rupees during the corresponding period ended May 1948. Total exports, however; showed a slight fall from 3808.1 million rupees to 3799.2 million rupees. As a result, there emerged a large import surplus of 1426.3 million rupees during the period under review as compared with 215.8 million rupees during the eleven months ended May 1948.

Balance of payments position .-The adverse balance in regard to transactions with hard currency countries continued to be the major problem in the country's international accounts. Though the operation of strict import controls helped to bring down the size of the deficit to 58 per cent of that of the previous year. the adverse balance of payments continued to be substantial at a level of 500 million rupees, owing to the maintenance of a high expenditure in these currencies on Government account. The deficit was financed upto the value of 230 million rupees by the purchase of U.S. dollars from the International Monetary Fund and the balance was met by the utilisation of the convertibility facilities agreed upon between India and the United Hingdom. By the end of March 1949, India and that had purchased dollars to the value of 330 million rupees (including the 230 million rupees in 1948), which is the total amount India is entitled to buy in any twelve months period. A mission from the International Monetary Fund visited the country in April, 1949 to study the general economic conditions in India and to hold consultations with the Government and the monetary authorities on the several aspects of the country's balance of payments problem. While aid was sought from the International Monetary Fund for meeting temporary deficits in India's hard currency accounts, efforts were also made for obtaining the finance needed for the essential import requirements of some of the long-term development plans from the International Bank for Reconstruction and Development. A mission headed by the Assistant Loan Director of the Bank visited India in January 1949 to make an appraisal of the economic and financial situation in the country and to study the country's development programmes with special reference to the railway and agricultural projects which had been suggested by the Government of India for the Bank's consideration as the basis for a possible loan from the Bank. For the first six months of 1949, there appears to have been a deterioration in the country's external payments The foreign assets of the Reserve Bank stood position. at 8210 million rupees at the end of June 1949; this represents a decline of 2040 million rupces during the first six months of 1949, as against 490 million rupees in 1946. The figures for 1948 and 1949, however, include two items of capital expenditure, viz., the payment to the United Kingdom for the purchase of pensions annuities and transfers to the State Bank of Pakistan. Thes decline which appears to have resulted from the relatively large flow of imports from soft currency countries as a result of the measures taken in the previous year has depleted these assots at a rate which is in excess of the rate of releases agreed upon in the Financial Agreement between India and the United Kingdom of July 1948.

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Exchange control.- There were no changes during the year under review in the principles on which the exchange control system was operated, although there were certain modifications in the regulations governing travel abroad and transactions with certain countries. During the period under review India and Pakistan signed in June 1948 a payments agreement which precluded exchange control as between the two Dominions and any restrictions on the transfers of funds, on current or capital account, or of securities (particularly evacuee funds in private hands) from one Dominion to the other. Provision was, however, made for consultation between the Reserve Bank of India and the State Bank of Pakistan in respect of the transfer of evacues funds in the hands of the Custodians of Evacuee Property. The agreement provided for the official rate of exchange between the India rupee and the Pakistan rupee to be at par and for due notice and mutual consultation before any alteration in the rate by the Government of either country.

Industrial share market .-The depression in the Bombay stock market which began in August 1946 showed practically no signs of abatement during the year under review, except for occasional spells of increased activity with a slight improvement in prices. The rate of decline in prices was, however, smaller than during the previous two years. The Economic Adviser's Index Mumber (Base: 1927-28=100) of variable yield industrial securities gradually fell from 164.9 in July 1948, to 135.5 in June 1949, except for a small and short-lived improvement in August 1948 when it stood at 167.3. The average index for the year under review stood at 154.9 as against 181.9 and 258.9 for 1947-48 and 1946-47 respectively. The major factors responsible for the absence of investment supportwere the uncertainty regarding the scope of private enterprise despite ministerial clarifications, political developments in Kashmir and Hydorabad, the growing communist influences in Eastern countries, the high level of personal income taxation, increasing demands by labour and costs of production and the narrowing of profits margins.

Activities of the Bank: Nationalisation of Reserve Bank. - During the period under review the Reserve Bank was nationalised under the Reserve Bank (Transfer to Public Ownership) Act, passed in September 1948.

Termination of joint monetary arrangements with Pakistan.- Following the establishment of the State Bank of Pakistan on 1 July 1948, the joint monetary arrangements for India and Pakistan as provided in the Pakistan (Monetary System and Reserve Bank) Order 1947 (as amended in March 1948) were terminated, and the functions entrusted to the Reserve Bank of India in regard to the management of currency and credit in Pakistan were transferred to the State Bank of Pakistan. With effect from the same date, the Reserve Bank's offices at Lahore, Karachi and Dacca were also taken over by the State Bank of Pakistan.

Banking legislation .- The report mentions the promulgation of the Banking Companies (Control)Ordinance, 1948 and the adoption of the Banking Companies Act, 1948. The Banking Companies Act, 1948, which came into force on 16 March 1949, repeals the Banking Companies (Inspection) Ordinance, 1946, Banking Companies (Restriction of Branches) Act, 1946, Banking Companies (Control) Ordinance, 1948, and Part XA of the Indian Companies Act, 1913. Besides incorporating the various interim measures of legislation together with amendments adopted from time to time since the first proposals for the regulation of banking were mooted by the Reserve Bank of India towards the close of 1939, the Act also embodies a number of other provisions, the more important of which are (1) the obligation on the part of all banks operating in India to take a licence from the Reserve Bank, (2) the obligation on the part of non-scheduled banks to maintain the cash the same percentage of their demand and time liabilities as is required to be maintained by the scheduled banks with the Reserve Bank, (5) the obligation on the part of the banking companies to maintain, two years after the commencement of the Act. 20 per cent of their demand and time liabilities in cash, gold or any unencumbered approved securities, and (4) prohibition of interlocking directorates.

Department of Banking Operations. The Department of Banking Operations continued to deal with problems relating to scheduled and non-scheduled banks and to keep a close watch over their affairs. The administration of the Banking Companies Act, 1949, has now become an important function of this Department and steps are being taken to enlarge its staff in Order to ensure the afficient performance of the various statutory duties imposed on the Bank, particularly the examination of applications for licensing, the scrutiny of the various returns prescribed under the Act, bank inspections, etc. In addition, the Department continued to examine applications from banking companies for issue of capital forwarded by the Government of India for the Reserve Eank's opinion and to tender advice on banking and financial matters to banks and Governments.

Capital issue by banks. Since the promulgation of the Defence of India Rule 94A on 17 May 1943 to the end of the year under review the Reserve Bank of India has been called upon to give its opinion on 1,147 applications from the existing banks or proposed banking companies for issue of capital, some of the banks having applied more than once. Out of the 1,147 applications, 457 were recommended for acceptance and 679 for rejection; 11 were returned to Government without comments. The number of applications received during the year under review was 64 from of which 20 were recommended for acceptance and 42 for rejection; 2 were returned to Government without comments. The Government of India permitted the issue of capital by banks to the extent of 8,557,000 rupees from 1 July 1948 to 30 June 1949.

Agricultural Credit Department.-The Agricultural Credit Department consinued to devote its attention to the study of the problems connected with the Co-operative movement, land mortgage banks, debt legislation, regulation of money lending, warehousing legislation, marketing and other allied subjects. The services of the Department were utilised more extensively than in the last year by co-operative banks, Registrars of Co-operative Socieities. and Governments, as can be seen from the greater number of references received. There was a persistent demand from co-operators, official as well as non-official, that the period of nine months for which finance is available under the Reserve Bank of India Act wastoo short to enable the provincial co-operative banks to derive full benefit of the facilities offered to them and that it should be extended to 12 months. Being in agreement with this view. Department has suggested to the Central Government. the with the approval of the Central Board, an amendment extending the period from 9 months to 12 months. The The Department has, during this year, published more books and pamphlets than before on matters pertaining to the Co-operative movement in general and agricultural credit in particular.

During the period under review, there were more frequent approaches the the Reserve Bank for accommodation from provincial co-operative banks. As against applications for accommodation to the extent of 14,185,000 rupees last year, applications were received for 35,610,000 rupees during the year under report. The amount sanctioned for 1948-49 was 18,025,000 rupees as against 6,770,000 rupees sanctioned for 1947-48.

Department of Research and Statistics. The Department of Research and Statistics continued to issue monthly the Reserve Bank of India Bulletin which completed its second year of publication in December 1948. The Division of Monetary Research continued to study the problems of monetary policy, prices, capital markets and public finance, besides proparing various periodical reports for the useof the Bank. As from the next accounting year, the Division is to undertake half-yearly surveys of owner ship of bank deposits and investments of banks and quarterly surveys wirk of advances of banks. The results of those surveys will be published in the Reserve Bank of India Bulletin from time to time.

A separate Balance of Payments Division was organised towards the middle of December 1948 to compile and organise the statistics and study the problems relating to India's balance of payments, along the lines adopted in advanced countries such as the United States of America, Canada and the United Kingdom. The Division compiled, during the year under review, estimates of the balance of payments of the country for the years 1946 to 1948, which have been published in the Bank's Bulletin for July 1949. Pursuant to the powers conferred in October 1947, by the Government of India on the Reserve Bank to call for such information as the International Monetary Fund may require from member countries, the Division has undertaken, on bahalf of the Government of India, a census of India's foreign liabilities and assets in order to collect information as of 30 June 1948 on India's international investment position.

During the year under review the Division of Statistics completed the work regarding sensitive index numbers of security prices and index numbers of yield on Government of India securities. Quantum and price index numbers of imports and exports were constructed on an annual basis for the periods 1945-49 and 1937-39. Some of the important studies completed in the Division during the year are (1) Changes in the market value of industrial shares during August 1939 to August 1946 and August 1946 to October 1948, (2) Mechanics of statistical organisation with reference to United States of America, (3) Some aspects of production and supplies of principal commodities in India during 1945-47, and (4) A statistical sufdy of bullion prices since 1923.

The Division of Rural Economics carried out during the year a survey of agricultural indebtedness in the Murbad taluka of the Thana district. For this purpose the information contained in the applications for adjustment of debts submitted to the civil courts at Murbad under the Bombay Agricultural Debtors Relief Act, was utilised. addition, a field investigation of the repayments effected of the scaled-down debts in a few selected villages was also carried out. A draft report analysing the data collected has been prepared and is being finalised. The report of the survey of agricultural indebtedness in Pandharpur and Sangola talukas was published in two parts in the January and February 1949 issues of the Reserve Bank of India Bulletin. The Division has just completed an inquiry relating to food production in the Bombay province during the last few years. The survey has been planned in collaboration with the Agricultural Economics Section of the School of Economics and Sociology, the University of Bombay and relates to five talukas of the province; viz., Bardoli, Dhulia, Dharwar, Murbad and Shevgaon. The work of tabulating the data and the consolidation of the information collected is in hand.

Housing for staff. In furtherance of the policy to provide adequate housing accommodation for the staff, the Bank has purchased plots of land in Bombay where it is proposed to creet quarters for the elerical and subordinate staff, respectively. The Bank has also decided to join the Central Government's scheme of housing their employees at Delhi and to construct 440 residential quarters for the staff of the Bank. The Bank is also examining the possibilities of starting housing schemes at the other centres where their offices are situated.

Economic prospects. - Reviewing the world economic position, the report NEX points out that against the world background, especially the disturbed conditions in Asia, India presents a picture of great internal strength and stability. Politically, the integration of Indian States, which has made it possible to evolve a uniform economic policy for the country represents a king development which is of major significance. Hany of the economic problems, some of them legacies of the war and some of the partition, however, remain to be solved. Like the United Kingdom,

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India needs larger production and larger exports. Production has improved somewhat during the year, but in some industries such as iron and steel, for instance, India is still unable to make full use of her installed capacity. Shortages of capital goods and technical personnel are serious handicaps. Machinery imports have been on a fairly large scale during the last year or two, but they are small in relation to needs. It is clear that a concentrated drive and co-ordinated action will be necessary to secure a substantial increase in production. Domestic investment has to be stimulated, but this has to come out of increased real earnings, if further inflationary pressures are to be avoided. India's resources are large, but the seriousness of the short term problem cannot be underrated. The immediate problem is the financing of the heavy imports of grain for feeding the country. At the same time the effort to increase exports will have to be continued and even strengthened. Trying to maintain a balance by a reduction of imports may, under certain conditions, be inescapable, but it is not a solution of the real problem. The Indian economy today needs imports on a large scale, and these can be obtained in the main by increasing our earnings from There has been a growing recognition abroad of exports. the need for provision of capital and technical assistance to backward countries. A freer and larger flow of capital to underdeveloped areas would seem essential not only for a solution of the problem of dollar scarcity, but for ordered economic and political progress of the world as a whole.

(The report of the Central Board of Directors of the Reserve Bank of India for the previous year was summarised at paragraph 45, pages 24-31 of the report of this Office for August 1948).

> (Report of the Central Board of Directors of the Reserve Bank of India for the year 1 July 1948-30 June 1949; The Gazette of India, Part I= Section 1, dated 10 September 1949, pages 1267-1281).

Burma: Nationalisation of Foreign Interests postponed.

On 7 September 1949, Mr. E. Maung, Burmese Foreign Minister stated at Rangoon that the Burmese Government has postponed nationalisation of foreign interests indefinitely so that the country's resources can be rehabilitated by inviting foreign investment. The Minister added that Burma was ready to welcome foreign capital, provided it did not affect indigenous interests.

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(The Hindu, dated 8-9-1949).

46. Wages.

India - September 1949.

Profit-Sharing Bonus to Tata Employees: Director's Statement.

Sir Jehangir Ghandy, Resident Director of Tata ¹ron and Steel Company, announced on 9 September 1949, that a sum of 5,500,000 rupees wouldbe distributed to the employees of the Tata Iron and Steel Company as profit-sharing bonus for the year ended51 March 1949.

Sir Johangir Chandy said that the amount available for distribution as profit-sharing bonus this year came to 4,012,000 rupees which in the ordinary course would have been distributed to the employees of the company, in proportion to their basic salary and wages earned by them during the year, in accordance with the profit-sharing scheme of 1946. The President of the Workers' Union, however, represented to the company that, as workers were now making better efforts to improve production, the company should, in order to MMXMMMMMM encourage them, see its way to distribute some additional amount as bonus in view of the fact that the amount distributed last year, in comparison with somewhat lower profit, was higher. The directors of the company, considered this request and mR decided to increase the sum of 4,012,000 rupees to 5,500,000 rupees for distribution as profit-sharing bonus to the employees for the year ended 31 March 1949. Sir Hehangir said that it had been decided to raise the share of the employees under the profit-sharing scheme from 22-1/2 per cent to 27-1/2 per cent. This revised scheme would remain in force until 31 March 1952.

Sir Jehangir added that the President of the Union had also requested the company that, as was done for the last two years, the method of arriving at the share of each individual employee in respect of the profit-sharing bonus for the year 1948-49 should ha also be on the basis of his basis sin salary as on 31 March 1949, and not in accordance with the profit-sharing scheme. This request has been conceded by the company for the last time and the President of the Union has promised the company that he will advise all employees that from next year onwards, the company will distribute the bonus in proportion to the total wages and salaries earned by them during the year, which will enable these putting in regular attendance to draw a larger sum in comparison with those who are irregular in their attendance

(The Times of India, 10-9-1949).

Central Provinces and Berar: Increased Wages for Manganese Workers.

The wages of manganese mine workers in the Central Provinces and Berar has been increased by 25 per cent from 1 October 1949. An agreement to this effect was reached at a two-day conference between representatives of employers, labour and the Government of India.

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Under the agreement, the average rate for miners in on bed (including all persons engaged in mining, deadwork and development work in the course of the working of a bed deposit) would be 1 rupee 4 annas per day at least, while those for adults engaged on surface work would be 1 rupee 2 annas for men and 14 annas for women.

In the case of boulder workers engaged in recovery of ore from old dumps, the average daily wage would be adjusted to 1 rupes 2 annas. In the case of small mines, the general increase will be given on the present piece rates. Workers would continue to receive the same grain allowance and the proposed rates would not be lowered on account of better wages earned by a greater effort or longer watering working hours than at present.

(The Times of India, 5-9-1949).

Malaya: Bonus Cut Proposals of Plantation Employers: Arbitration Tribunal's Interim Award.

Reference was made at paragraph 73, page 69 of the report of this Office for August 1949 to the decision of the Malayan Planting Industries Employers' Association to impose a cut in the bonus rate of tappers with effect from 1 September 1949. The Answiation Association had also agreed to refer the issue for arbitration to a Tribunal and to give retrospective effect to its findings.

The Tribunal, in an interim award has ruled that there should be no cut in the bonus rate during September as it was not consistent with normal methods of submitting a dispute to arbitration, for one side to issue a directive for action on the matter in dispute, even though provision was made for retrospective adjustment.

The main issue of the bonus cut proposal is being considered by the tribunal.

(The Bombay Chronicle, 7-9-1949)

47. Reconstruction Plans.

India - September 1949.

Pakistan: Schemes for Provinces approved by Development Board.

Several schemes for provinces were sanctioned by the Development Board, at a meeting held at Karachi on 4 September 1949, under the chairmanship of the Secretary-General Mr. Mohammed Ali.

Eleven irrigation and drainage schemes of the East Bengal Government were approved. These schemes, which are to be financed out of the development loan given to East Bengal, will, besides increasing the production of jute and providing better navigation facilities on some water routes, raise the production of paddy and thus help in making East Bengal less dependent on outside supplies for its food requirements.

The Board approved of a scheme for the development of the woollen industry in the frontier regions of North-West Frontier Province and Baluchistan. Under this scheme it is proposed to set up two woollen mills, chiefly for supplying yarn to handlooms and power looms worked on a cottage industry itxisxfurtherscale. To encourage cottage industry it is further proposed to set up a number of training-cum-production centres. The Board also approved of four schemes of the North-West Frontier Province Government for development of sheep breeding, control of the Warble Fly pest and damage to hides and skins, establishment of apiaries and poultry farms, which would be financed out of this grant.

A scheme for the immediate improvement of a channel with a view to increasing Quetta's water supply and four other schemes - for development of sheep breeding, control warble fly pest, damage to hides and skins and establishment of apievies and poultry farms - were also approved.

The Board approved a scheme for the establishment of a Central drug laboratory for Pakistan, where not only testing and analysis of, but also research on, drugs wouldbe under_taken.

The Board had already recommended at a previous meeting that the West Punjab Government might be given 20 2,000,000 rupees for purchasing machinery for the Thal project.

('Dawn', dated 4-9-1949)

48. Public Finance.

India - September 1949.

Burma: Budget for 1949-50 presented in Parliament: Small deficit expected.

-The budget of the Government of Burma for the year 1949-1950 was presented in the Burmese Parliament by the Finance Minister, U. Tin, on 18 September, 1949.

Presenting the budget the Finance Minister said that in the 1949-50 anticipated budget the revenue was estimated at 573.5 million rupees and expenditure at 590.6 million rupees, leaving a deficit of 17.1 million rupees. On the revenue side the main sources were: Customs 121.0 million rupees; Civil Supplies 145.4 million rupees; Railways 84.5 million rupees; Extraordinary 118.0 million rupees; Taxes on Income 32.5 million rupees; Cormercial Taxes 26.5 million rupees; Land Revenue 18.6 million rupees and Excise 10.3 million rupees.

On the expenditure side the heaviest items were: Defence 134.7 million rupees; Railways 106.0 million rupees; Civil Supplies 90.0 million rupees; Police 56.6 million rupees; Education 24.7 million rupees; Posts and Telegraphs 15.3 million rupees; and General Administration 15.6 million rupees.

To augment the revenue in the coming year, the Finance Minister announced the following tax increases: (1) 50 per cent increase in betting tax; (2) 50 per cent increase in excise duties; (3) increase by 5 pies in the rupee on incomes exceeding 15,000 rupees; (4) slight increase in super tax; and (5) increase in entertainment taxes from 12 1/2 per cent to 20 per cent, from 20 percent to 35 1/2 per cent, and from 33 1/2 per cent to 40 percent. The Finance Minister said that the only new tax would be the General Sales Tax firstly in Rangoon, and later in other important towns of Burma.

Referring to foreign capital, in the course of his speech, the Finance Minister added that investment in Burma to-day "was at the lowest ebb in living memory". He emphasised that except in the restricted range of industries which the Government had already designed for the the purpose there would be no nationalisation for a number of years to come.

49. Rehabilitation.

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India - September 1949.

Government of India (Third Amendment) Act, 1949: Rehabilitation and Evacuee Property included under Executive Authority of the Dominion.

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The President of the Constituent Assembly has authenticated on 21 August 1949 the Government of India (Third Amendment)Act, 1949, which, inter alia, seeks to amend section 8 of the Government of India Act, 1935, so as to include under the executive authority of the Dominion (a) the custody, management and disposal of property, including agricultural land, declared by law to be evacuee property, and (b) relief and rehabilitation of persons displaced from their original place of residence, as a result of the setting up of the Dominions of India and Pakistan. Under the Act, these subjects are also included in the Concurrent Legislative List.

> (The Gazette of India, Extraordinary, dated 24 August, 1949, page 1447).

Pakistan: Central Rehabilitation Advisory Committee constituted.

The Government of Pakistan has set up a Central Rehabilitation Advisory Committee with a view to associate the public more closely with matters affecting the rehabilitation of refugees, their absorption in the economic life of the country, matters relating to evacuee property, and other problems arising out of mass migration. The committee consists of 20 members with the Minister for Refugees and Rehabilitation as chairman and the Secretary, Ministry of Refugees and Rehabilitation as Secretary.

> (The Gazette of Pakistan, Part I-Section 1, dated 2 September 1949, page 408).

Pakistan: Rehabilitation Board set up for Industries in Sind.

In exercise of the powers conferred under the Pakistan (Economic Rehabilitation) Ordinance, (vide paragraph 49, pages 52-54 of the report of this Office for November 1948), the Government of Pakistan has set up a rehabilitation hear board for the allotment of industrial undertakings in and the rehabilitation of the economic life of Sind province and capital of the Federation. The board consists of **kinum** five members with the Director-General, Supply and Development, Government of Pakistan as chairman.

> (The Gazette of Pakistan, Part I-Section 1, dated 2 September 1949, page 408).

Chapter 5. Working Conditions.

52. Welfare and Workers! Leisure:

India - September 1949.

Coal Mines Labour Welfare Fund Rules, 1949: Draft Amendment regarding Recovery of Excise Duty on Coke and Coal despatched otherwise than Rail.

By a notification dated 14 September 1949, the Government of India has published the draft/of certain amendments proposed to be made to the Coal Mines Labour Welfare Fund Rules, 1949 (vide paragraph 52, page 68 of the report of this Office for February 1949). These amendments, chiefly, insert a new chapter IV in the Rules, relating to the procedure for recovery of excise duty on coal and coke despatched otherwise than by rail. The amendments will be taken into consideration after 15 November 1949.

> (The Gazette of India, Part I-Section 1, dated 17 September 1949, pages 1526=1552 1328-1332).

Bihar: Coal Mines Labour Welfare Fund (Amendment) Act, 1949 extended to Chota Nagpur and Santal Parganas.

By a notification dated 22 August 1949, the Government of Bihar has extended the Coal Mines Labour Welfare Fund (Amendment) Act, 1949 to the Chota Nagpur Division and the Santal Farganas district.

(The Bihar Gazette, Part II, dated Sl August 1949, page 1295).

56. Labour Administration.

India - September 1949.

Inspection of Mines in British India: Report of the Chief Inspector of Mines for 1946.

During the year 1946, as in previous years, the Indian Mines Act, 1923, applied to British India only and not to Indian States. During the year there were 960 coal mines and 1,159 mines other than coal mines at work which came within the purview of the Indian Mines Act. The comparative figures for the year 1945 were 973 and 1,178 respectively.

Persons employed: 6.84 per cent rise during 1946.- During the year 1946 the daily/average number of persons working in and about the mines regulated by Indian Mines Act was 412,719, as compared with 386,290 in the previous year; an increase of 26,429 persons, or 6.84 per cent. Of these persons 153,754 worked underground, 110,445 in open workings and 148,520 on the surface. The number of men and women who worked underground, in open Workings and on the surface was as follows:-

	Mon.		Wome	n.
	1946 1945		1946	1945
Underground	142,972	137,279	10782	22,517
In open workings	68,780	62,335	41665	32,975
Surface	99,147	91,698	49373	39,486
Total		291,312		94,978

The decrease in the number of women employed underground in 1946 was due to the partial or complete exclusion of women from many mines in anticipation of the re-introduction of legislation prohibiting the employment of women underground. This also accounted for the increase in the number of women employed in open workings and on the surface whore they wore given alternative employment.

AMMERAN Report of the Chief Inspector of Mines in India for the year ending 31st December 1946: Published by the Manager of Publications, Delhi,1949; price Rs.5-6 or 8s.6d., pp.iv x 221.

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Distribution of workers: increased employment in Coal Mines.- The daily average number of persons employed in coal mines was 323,992, which is 29,090 or 9.86 per cent more than the number employed in 1945. Of these persons 55,332 were males employed in cutting coal, 31,342 were males employed as loaders of coal and 77,784 were women. Although the number of persons employed in coal mines wardinging in 1946 increased by 9.86 percent the quantity of coal produced in 1946 was only 1.65 percent greater than in 1945. Returns relating to the number of workers employed in coal mines on the day with the maximum turn out of workers in a week in February, specified for this purpose by the Chief Inspector of Mines, showed that on the selected day in February 1947, 395,982 persons were either at work or were prevented from attending work in coal mines in British India. This figure is 71,990 or 22.22 per cent more than the average number of persons employed in coal mines during 1946.

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Some of the percentages of absentees on the selected day are as follows:- All mines from which returns were received 6.04, Jharia 3.58, Raniganj 6.76, and the Central Provinces 7.62. It is probable that the reason for the low percentage of absentees in the Jharia coalfield is that a larger proportion of the labour force is resident at or near the mines than in the other areas.

During 1946, as in 1945, there was a considerable increase in surface workers due primarily to building programmes, which were held in abeyance during a largo part of the war period. The coal output per person employed declined from 225, in 1945 to 220 [In 1946 if only coal-cutters and loaders employed underground and in open workings are taken into account; and from 141 [In 1945 to 136 [In 1946 if account is taken of all workers employed underground and in open workings.

Decreased employment in metalliferous mines. The number of persons employed in metalliferous (including mica, stone, clay and salt) mines was 88,727 which is 2,661 or 2.91 per cent less than the number employed in 1945. 64,691 were men and 24,036 were women.

Wages.- During 1946 there was a general increase in the wages of all classes of labour in the various coalfields.

Accidents.- During the year 1946 at mines regulated by the Indian Mines Act, there were 271 fatal accidents, which is 6 less than in 1945, and 12 less than the average number in the preceding five years.

In addition to the fatal accidents, there were 1,236 serious accidents, involving injuries to 1,275 persons as compared with 1,387 serious accidents involving injuries to 1,441 persons in the previous year. The "serious" accidents reported are those in which an injury has been sustained which involves, or in all probability will involve, the permanent loss or injury to the sight or hearing or the fracture of any limb or the enforced absence of the injured person from work for a period exceeding twenty days. Three hundred and twenty-eight persons were killed and 1,322 persons were seriously injured. The latter figure includes 47 persons injured in fatal accidents. The number of persons killed was 21 more than in 1945. Of the number of persons killed 310 were mon and 18 were women. In once case [3 lives and in twenty cases 2 lives were lost. health and Serie .

Health and Sanitation .- (a) The Asansol Mines Board of Health .- The Asansol Mines Board of Health held twelve ordinary and four special meetings during the year. The health of the Mining Settlement, as reflected improvement in the vital statistics, showed progressive improvement as compared to 1944. The death rate in 1945 fell from 20.1 per 1000 in 1944 to 12.8 per 1000. The infant mortality rate decreased from 115.5 to 84.8 per 1000 The birth rate rose from 16.5 to 19.5 per 1000. births. The incidence of malaria, which is the single largest cause of sickness, was 44.6 per 1000 in 1946, as compared to 58.53 per 1000 in 1944. Malaria control, undertaken by the Coal Mines Welfare Fund, was extended during the year to include 126 colliories. In addition to anti-larval measures, spray killing of adult mosquitoes with D.D.T. was undertaken in selected areas in which the incidence rate had rison to over 30 per 1000. Rural malaria control was carried out by the Board's Malaria Department in twenty-five villages from which colliery labour is drawn.

Other health measures undertaken by the Board included inoculation against cholera, anti-leprosy measures, and the running of maternity and child welfare centres. Facilities for hospital treatment in Sanctoria Hospital of Messrs. Andrew Yule and Company at which fifteen beds have been reserved by the Coal Mines Welfare Fund were availed of to the fullest extent. The actual admissions often exceeded the allotted numbor. Atthe Altogether 140 cases were admitted during the year. It had has been decided to reserve ten more beds as soon as the extension ward under construction is ready. Two Regional hospitals, with twelve beds in each, built by the Coal Mines Welfare Fund, are expected to be ready shortly. The building ofthe proposed Central Hospital was held up, pending selection of a suitable site.

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(b) The Jharia Mines Board of Health.- During the year the Jharia Mines Board of Health hold twelve ordinary and eight special meetings and one joint meeting with the Jharia Water Board. The estimated population of the settlement was 591,281. The de death rate was 10.58 per thousand, as compared with 14.55 in the previous year. There was an increase in the birth rate from 22.05 per 1000 in 1945 to 25.31 in 1946. There was a decrease in the infant mortality rate from 64.85 per 1000 in 1945 to 45.98 in 1946. The standard of health among the colliery population was at a higher level than that of the general population. The death rate among the colliery population was 5.04 per 1000 during the year, as against 6.72 in 1945. The sickness rate among the colliery population was 5.35 per cent in January, the healthiest month of the year, and 9.19 percent in September. The health measures undertaken by the Board included inoculation against cholera, mass vaccination (including re-vaccination) against small-pox which appeared in epidemic form in a number of places, maternity and child welfare and antileprosy work. During the year the Board also approved of a scheme for medical supervision of children in schools with a view to its introduction in 1947.

The responsibility for malaria control in the coalfield now rests with the Government of India. The scheme is financed by the Coal Mines Welfare Fund and is under the control of an Assistant Director of the Malaria Institute of India who is stationed at Dhanbad.

The Mines Maternity Benefit Act. - During the year, 911 mines were visited in connection with the enforcement of provisions of the Mines Maternity Benefit Act and rules made therounder. Although Altogether 74 complaints of non-payment of benefits were received and each one was thoroughly investigated. Labour Officers continued to disseminate information regarding the Act to women workers and mine managements. Towards the end of the year Labour Officers were posted to the Central Provinces and Kodarma.

Welfare measures in mining areas.- (a) Coal Mines Welfare Fund.- The velfare Fund Ordinance was promulgated in 1944 with the object of ensuring improvement in the health and standard of living of miners, improving their living conditions in respect of housing and nutrition, and providing them with adequate medical and educational facilities and for effecting a general amelioration of the social conditions under which they live. The Fund is administered by the Contral Government advised by a representative Advisory Committee of which the Secretary to the Government of India in the Department of Labour is the Chairman. There is a Coalfield Sub-Committee for each of the Bihar, Bengal and the Central Provinces coalfields and also a Finance and Works Sub-Committee.

Owing to difficulties in getting suitable sites clear of coal bearing measures for construction of various buildings and obtaining plans and estimates of the buildings it washot possible to make as much progress in carryin out the different projects as was expected. During the year, however, some of the initial difficulties were overcome thisking work of construction was started on the buildings. One Central hospital with over 100 beds was sanctioned for each of the Jharia and Raniganj coalfields. There will be many up-to-date institutions with specialists incharge of different sections. In addition, there will be two regional hospitals in each coalfield with child welfare centres and maternity homes attached to them. Construction of the regional hospitals and child welfare and maternity centres in Bihar and Bengal was started. Until the Fund's hospitals are ready, the colliery hospitals at Sanctoria in Bengal and at Jamadoba in Bihar are oping subsidised by the Welfare Fund to provide facilities for the treatment of miners. For transport of patients for hospital treatment, two ambulance cars were placed at the disposal of each of the two Mines Boards of Health at Jharia and Asansol, and three ambulance cars

were placed at the disposal of different agencies in the Central Provinces. The Welfare Fund granted sums of 200 rupees to 300 rupees per month for the maintenance of each of these ambulance cars. Arrangements were made to provide an X-ray unit at a cost of 25,000 rupces for installation at the State Railways Colliery Hospital at Giridih. The welfare Fund paid an annual XE grant of 43,176 rupees to the Jharia Mines Board of Health and 33,000 rupees to the Asansol Mines Board of Health for the improvement of sanitation in the major coalfields. A tuberculosis specialist was appointed to make a survey and to prepare a scheme to deal with tuberculosis in the coalfields. scheme to deal with veneral diseases amongst miners was also under consideration. Sums of 20,000 rupees nonrecurring and 8,640 rupees annual recurring for Raniganj coalfield for relief of leprosy were granted out of the fund. To combat malaria in the coalfields a large number of anti-malaria sub-stations were started in the Jharia, Raniganj, Pench Valley, Margherita, Korea and Baluchistan coalfields. The anti-malaria organisation operated under the general supervision of the Malaria Institute of India and the total expenditure incurred by the Welfare Fund for anti-malaria activities amounted to 179,158 rupees in 1944-45 and 425,252 rupees in 1945-46.

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The report stresses that the most important problem facing the coal industry is inadequacy of housing accommodation for the miners. At present accommodation is not only inadequate but a very large proportion of the dwellings are unsuitable for human habitation. The Fund has embarked on a scheme of housing and has decided to start with the establishment of two miners! townships of 5,000 houses each, one in the Jharia coalfield and one in the Raniganj coalfield. Each dwelling will have two rooms with verandahs on both sides, a kitchen, bath room and a small kitchen garden, costing about 2,500 rupees. The construction of miners! houses has been started at Bhuli in the Jharia coalfield and at Bijoynagar in the Rangganj coalfield, and it is expected that by June 1947 construction of about 1000 houses will have made fair progress. Each township will be a self-contained unit, providing all necessary amenities of life.

The Fund established several vegetable gardens in the coalfields at a cost of about 15,230 rupees and sanctioned payment of 10,000 rupees to each of the sub-committees in the coalfields of Bihar and Bengal and 5,000 rupees to the sub-committee in the Central Provinces for encouraging vegetable cultivation with the object of providing vegetables at cheap rates to miners.

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A scheme for adult education of the mining population and another scheme of welfare for the women workers or dependents of workers in mines has been prepared. A number of child welfare centres and miners' institutes will be started from the beginning of the next financial year as soon as necessary arrangements for accommodation and equipment have been made. The Fund has also provided a well-equipped motor van which visits various collieries and sells articles of every day use, such as, soap, brass and aluminium utensils, ready-made garments, woollen goods, etc., which the miners find difficulty in obtaining at reasonable prices in the local markets. Consumer goods worth 96,681 rupees were sold during the year under review. A mobile cinema and a mobile canteen have also been purchased.

(b) Other welfare measures. Under the Mines Creche Rules, 1946, the provision of creches at all collieries was made obligatory and the owner of every mine was required to construct a creche within nine months of the date of the above notification. The Coal Mines Welfare Bormissioner, as the competent authority, prescribed standard plans, and creches were under construction at various mines. The provision of pit-head baths by mineowners was made compulsory under the Coal Mines Pithead Bath Rules, 1946. Pit-head baths at soveral mines were under construction, but progress was retarded due to shortage of building materials.

Labour associations in mining areas. - Four workers' organisations, all registered under the Trades UnionAct, 1926, functioned in the mining areas during 1946. These wore:-

(a) The Indian Colliery Labour Union. This union claimed a mombership of 9,759, the members being chiefly miners, skilled and unskilled labourers and clorical staff of mines and coke plants. The rates of subscription varied from three pies to four annas per month according to means of the member. The Union assisted members in compensation cases and wage disputes and arranged lantern lectures on temperance, safety-first, hygiene, stink child welfare and maternity.

(b) The Indian Miners Association. This Association claimed a membership of over 5,000 at the close of the year, the members being chiefly miners and other manual workers in mines. The monthly rate of subscription varied from one to four annas according to the scale of pay. The Association assisted members in wage dispute, claims for compensation and other grievances and negotiated settlements of disputes which would otherwise have resulted in strikes.

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(c) The Tata's Collieries Association. This Association intended mainly for the workers of Tata's collieries and is recognised by the Tata Iron and Steel Company <u>Lidy</u> Limited. The number of subscripting members in March 1946 was 3,179 and monthly subscriptions varied from one anna to one rupes eight annas according to the scale of wages. During the year, the Association conducted meetings and lanterna lectures on general education, hygione, temperance and welfare, and assisted members to obtain settlement of wages wage disputes. It also assisted the mine managers in the distribution foodstuffs and clothing to the workers. (d) Coal Workers' Union.- This union claimed a membership of about 9,000 workers who are employees of the Government of India, State Railway Collieries at Giridih, Bokaro and Jarangdih. It assisted its members in obtaining redress of grievances, such as illegal deductions by contractors, short payment or non-payment of dearness allowance, non-payment of maternity benefits, insufficient supply of mut cloth or food-grains, etc. The Union was instrumental in organising a strike affecting Giridih and Jarangdih colliries which continued for nineteen days, the major demands of the workers being increased wages and departmental payment of wages.

Inspections.- During the year 1,516 mines were inspected, many of them being inspected several times. Many inspections were made at the invitation of mineowners, superintendents and managers desirous of obtaining advice on safety matters. In investigating cases are of the Inspectors was occupied in investigating cases of actual or threatend damage to dwellings and roads by reason of the underground working of coal mines, in dealing with underground fires and in examining protective works against the risk of inundation. In addition, a large number of inspections of the samitit sanitaby conditions of mines were made by medical officers as ex-officio Inspectors of Mines.

(The Annual Report of the Chief Inspector of Mines in-India for 1945 was summarised at paragraph 56; pages 59-62 of the report of this Office for May 1948).

Madras: Conference of Factory Inspectors: Better status and standard of Remuneration demanded.

A conference of provincial factory inspectors was hold at Madras during the first week of September 1949. The Conference which was presided over by Mr.C.G.Reddi, Commissioner of Labour, Government of Madras, was attended, among others, by Mr. H. Sittrama Reddi, the provincial Labour Minister and Mr. N.S. Mankekar, Chief Adviser of Factories, Government of India. The conference, among other subjects, discussed questions relating to practical difficulties in the application, and the necessity for amondment - if any - of the provisions of the Factories Act, 1948, and the draft rules thereon, the Madras Maternity Act provisions and those under the Madras Shops and Establishments Act, 1947.

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Labour Minister's address. Addressing the conference, the Labour Minister referred to India's association with the International Labour Organisation and said that the Philadelphia Declaration of 1944 had confirmed the principles that labour was not a cormodity, that poverty anywhere constituted a danger to prosperity everywhere, and that freedom of expression and association were essential to sustained progress.

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The 1948 Factories Act was a step in the direction of achieving some of the objects that the Government had in view to provide proper conditions of service, provision of safety arrangements, and securing conditions for the proper health of the workers. He emphasised that the expansion of industry, and the consequent employment of labour in organised industries had brought various industrial problems to the forefront and naturally, the duties of factory inspectors were now more arduous and they needed to have knowledge of several engineering subjects. Answering a plea for better status and standard of remuneration, the Minister gave the assurance that their case would be considered with sympathy.

Labour Commissioner's address.- The Labour Commissioner of Madras, who is also the Chief Inspector of Factories, in the course of his address, that in the present setup the work of Factory Inspectors had become very important. For the administration of the Factories Act of 1948, which was "more detailed and covers all aspects of labour in the factory", the enforcing authority should be all-knowing. The authority should be MM "building engineers, safety engineers, public health engineers and chemical engineers, all combined". The ILO had rightly stressed that Labour Inspectors should possess a high standard of technical training and experience, should be persons of good general education and by character and abilities be capable of acquiring the confidence of all parties. It had further stressed that the Inspectors "should be given such status and standard of romuneration as to secure their freedom from any impropped oxternal influence". He appealed to the Government to sympathetically consider the claims of factory inspectors for improving their status and standards of romuneration when proposals for the purpose are submitted.

(The Hindu, dated 6-9-1949).

Working of the Factories Act in Madras during 1948.

Number of factories and workers. - During the year 1948, the number of registered factories in the Madras province increased from 3,928 at the beginning of the year to 4,167 at the close of the year. 443 factories were brought on the register and 204 were removed. The number of factories which worked during the year was 3,960, of which, 3,652 were non-seasonal and 308 seasonal. Annual returns were submitted in time by 3,564 factories.

The average number of workers employed daily in the factories, which submitted the annual returns, was 288,722, as against 276,586, in the previous year. Of the total number of employed, 219,723 were men, 59,645 women, 4,029 adolescents, and 5,325 children. The increase in the number of workers employed was mainly due to the increase in the number of factories.

Industry	of worker	daily numbor ers employed during:-	
	1948	1947	
Government and Local Fund factories All other factories:- Perennial-	31,231	23,390	
Textiles Engineering Minerals and metals Food, drink and tobacco Chemicals, dyes, etc. Paper and Printing Wood, stone and glass Gins and Presses Skins and hides Miscellaneous	96,682 24,632 5,061 47,338 20,091 11,056 21,287 4,340 7,638 3,406	101,464 22,710 4,738 42,513 17,384 10,551 19,002 5,715 8,251 3,422	
Seasonal- Food, drink and tobacco Gind and Presses Miscellaneous Total	4,211 11,691 58 288,722	4,378 12,993 75 276,586	

Inspections and prosecutions.- Of the 3,960 working factories, 933 were inspected onco, 1,713 twice, 726 thrice, and 432 more than three times. The remjahing 156 factories couldnot be inspected as most of them were found closed at the time of inspection. The total number/of inspections made was 8,246 as against 7,082 in the previous year.

The manupating occupiers and managers of 302 factories involving 470 persons were prosecuted during the year. The number of persons convicted was 389, and a sum of 18,035 rupees was imposed as fines ranging from 4 rupees to 240 rupees. Health and welfare. The health of the workers was generally normal, and no epidemics were reported from any of the factories during the year. The number of man-days lost due to sickness was 1,018,359 as against 1,039,437 in the provious year. Adequate steps were taken to mitigate dust nuisance and also to prevent inhalation of dust by employees working mar such machinery.

Housing accommodation was provided by 31 additional factories during the year and 16 more factories provided schools for their workers' children. Co-operative stores were opened in 14 more factories supplying feed stuffs to the employees at normal prices.

Accidents and safety .- The total number of accidents reported during the year was 6,767 as against 6,632 in the previous year. Of the total accidents, 45 wore fatal, 1,193 serious, and 5,529 minor as compared to 27, 1,106 and 5,499 respectively in 1947. An analysis of the accidents by causes shows that, of the fatal accidents, about 27 per cent were caused by machinery and about 18 per cent by persons falling. Of the serious accidents more than 19 per cent were caused by falling objects and more than 17 per cent by machinery. In the case of minor accidents, while machinery was responsible only for less than 6 per cent, more than 21 per cent were caused by falling objects. About 31 per cent of the fatal, 50 per cent of the serious and more than 63 per cent of the minor accidents occurred due to miscellaneous causes. About 37 per cent offthe accidents occurred due in Railway workshops and 17 per cent in the cotton spinning and weaving mills, as compared to 40 per cont and 21 per cent respectively, during the previous year. In 131 cases, the injured persons were paid compensation amounting to about 59,376 rupees.

(The Working of Factories Act during 1947 was reported at paragraph 56, pages 5XX 57-59 of the report of this Office for January 1949).

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(Indian Labour Gazette, August, 1949).

Working of the Factories Act in Orissa during 1948.

Number of factories and workers. The total number of registered factories in the province of Orissa at the close of 1948 was 230. During 1948, 41 new factories were added to the register and 32 bidi factories were removed. Out of the 230 registered factories 222 factories (220 perennial and 2 seasonal) worked during the year. Five factories did not submit returns.

The average daily total number of workers employed during 1948 was 12,329 as against 10,592 in the provious year. Of the total number of workers 8,406 were men, 5,209 women, 649 adolescents and 85 children. A statement showing employment in 1947 and 1948 according to industries is shown below:-

Industry	workers	daily number of employed during
	1948	1947
Government and Local Fund factories	1,204	1,224
All other factorics- Perennial-		
Engineering	237	156
Minorals and Motals	199	142
Food, Drink and Tobacco	7,577	6,461
Chomicals, Dyes, etc	619	112
Paper and Printing	1,508	1,562
Wood, Stone and Glass	668	504
Others	19	19
Seasonal-		•
Food, Drink and Tobacco	253	372
Others	45	40
Total	12,329	10,592

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Inspections and prosecutions.- During the year, 136 visits were made to the factories as against 95 during the parevious year; 96 factories were visited once, 18 twice and one four times. 107 factories were not inspected.

<u>Complaints</u> About 50 complaints were received during the year out of which 26 were from registered factories. The complaints were chiefly in respect of discharge, dismissal, etc. A prin representation was made by the workers of the Puri Electric Supply Company for enhancement of salaries, dearness allowance, etc. In this connection an award was made by the Conciliation Officer. Health, sanitation and welfare.- Special attention was paid to the abatement of dust nuisance from factories, particularly in rice mills. As an experiment, fans were not allowed in a closed room and from there an exhaust pipe was taken out. This experiment proved successful in reducing the dust. The Orissa Canteen Rules came into force during the year.

Accidents and safety .- There was an increase in the number of accidents from 132 during 1947 to 145 during 1948. Out of the 145 accidents, 3 were fatal, 16 serious and 126 minor. Of the minor accidents, 119 accidents occurred in railway workshops. The paper mill accounted for 9 serious accidents and 1 fatal accident. An analysis of the accidents by causes shows that of the 16 serious accidents, 8 were caused by machines and 4 by falling objects. Of the minor accidents about 26 per cent were caused by machines and about 25 per cent by falling objects. The three fatal accidents were shown against "persons falling", "falling objects" and "electricity", The statutory provisions relating to fencing and guarding of dangerous machinery received the attention of the inspecting staff. For want of iron materials, temporary bamboo fencing and stout wooden poles were allowed as Instructions were also given regarding the foncing. proper maintenance of fire fighting equipment.

(The wolfning of the Factories Act in Orissa during 1947, was reported at paragraph 56, pages 62-63 of the report of this Office for November 1948).

(Indian Labour Gazette, July 1949).

Working of the Factories Act in United Provinces during 1948.

Number of factories and workers. - During the year 1948, there was an increase in the number of registered factories from 1,093 in 1947 to 1,151 in 1948. 115 factories werebrought on the register while 55 factories were removed and 2 factories were amalgamated with their sister concerns. Only 1,040 factories worked during the year of which 943 were perennial and 97 seasonal.

The average daily number of workers employed in the 989 factories which submitted the returns for 1948 was 242,085 as against 240,396 in the previous year. Of these 258,046 were men, 2,689 women, 834 adolescents and 514 children. The following statement shows the average daily number of workers employed in the major industry groups during 1948 and 1947:-

Industry	Avcrage workers 1948	daily number of employed during:- 1947
Government and Local Fund Factories- Perennial	57,522 893	.59 , 206 410
All Other Factordes- Perennial- Textiles Engineering Minerals and Metals Food,Drink and Tobacco Chemicals,Dyes,etc. Paper and Printing Wood,Stone and Glass Gins and Presses Skins and Hides Seasonal- Food,Drink and Tobacco	71,588 6,688 4,592 15,862 11,865 6,315 10,370 1,162 7,238 332 47,811	71,910 5,463 4,183 15,006 10,195 5,881 10,895 1,207 8,035 285 47,158
Gins and Presses Total	345	562 240,396

Inspections and prosecutions. The total number of inspections and visits made during the year was 2,524. 801 factories were inspected once, 259 twice, 57 thrice, 24 four times, and 10 more than four times.

During 1948, 449 prosecutions were launched out of which convictions were obtained in 154 cases including 3 cases in which the accused were warned by the courts. Fines ranged from 5 rupees to 500 rupees and the total amount/of fine realised was 10,700 rupees. Most of the prosocutions were for breaches of provisions relating to non-submission/of notice of occupation and non-maintenance of attendance registers. Out of the 208 cases pending at the beginning of the year judgment was given in 105 cases.

Health, sanitation and welfare.- Sanitary arrangements were generally provided for by the majority of the employers A committee of 9 members with the Director of Medical and Health Services, United Provinces, as the Chairman and the Chief Inspector of Factories as Member-Secretary was appointed during the year to examine the question of the disposal of trade effluents. Health provisions receivedconsiderable attention from the employers and an improvement in the ventilation and lighting of factories was noticed. Water supply for drinking purposes for factory workers was generally satisfactory. Accidents and safety.- The total number of accidents during the year was 6,326 as against 5,395 during 1947. Out of these 36 were fatal, 388 serious and 5,902 minor, as compared with 35 fatal, 498 serious and 4,864 minor in 1947. Out of the 36 fatal accidents, 29 were due to miscellaneous causes. Of the 388 serious accidents, 60 cases were caused by falling objects, 30 by persons falling, 25 by explosion and fire and 18 by working machinery. Of the minor accidents, 287 were caused by falling objects and 48 by machinery while 97 were due to persons falling and 205 due to explosions and fire. During every inspection particular attention was given to checking the provisions for guarding and fencing. A number of warnings were given and in cases of persistent breaches, prosecutions were launched against the managements for failure to provide suitable guards and fencing.

(Indian Labour Gazette, August, 1949).

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59. General.

India - September 1949.

Labour Conditions in Principal Ports of India.

An enquiry into the conditions of labour in the five principal ports of India, <u>viz.</u>, Bombay, Calcutta, Madras, Cochin and Karachi, was conducted by the Labour Investigation Committee and a report published in 1946. With a view to bringing the data contained in the Report up-to-date, the Labour Bureau issued early in 1948 a questionnaire to the four principal Ports now in the Indian Union, viz., Bombay, Calcutta, Madras and Cochin covered by the Committee and also to the Vizagapatam Port. A note based on the replies received from the five ports is published in the July 1949 issue of the Labour Gazette. The following is a summary of the note:-

Number of workers. The following table shows the trend of omployment during 1944,1947 and 1948 in the five <u>markaxene</u> covered by the enquiry:-

Ports		No.of No.of persons persons		No.of persons employed in Jan.1948.		Percentage change over 1944 - (xor-)
employedemployed during in Jan. 1944. 1947.	Men	Women	Total			
Bombay Calcutta Madras Cochin Vizagapatam	17,015 18,000 3,270 17,600 N.A.	13,166 15,564 3,556 N•A•	14,609 N•A• 3,494 3,148 1,830*	303 N•A• 100 10 33*	14,912 20,000* 3,594 3,158 2,263	-12.4 x11.1 x 9.9 - 82.06
		• E Not ava efers to la		ctly om	ployed.	

The note states that the very heavy fall in employment in Cofhin port is probably due to the fact that in 1944 the fort authorities were doing construction work on behalf of the Army.

All the ports, with the exception of Madras, employed some contract labour. Statistics furnished by the ports show that in Bombay out of a total of 14,912 workers 3,403 were employed through contractors, in Cochin 900 out of a total 3,158 and in Vizagapatam 400 out of a total of 2,263.

Recruitment. The recruitment of labour in the port of Madras is direct. In other ports direct system of recruitment is generally adopted except in a few departments where labour is employed, to a certain extent. through contractors. In the Bombay and Calcutta Ports, since April, 1948, the recruitment of in labour through Toliwalas and contractors respectively has been abolished. In Clacutta, recruitment is made from a list of persons who have been retrenched. Technical persons are recruited direct, when they are not available from the list.

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Absenteeism. - The note gives the statistics of absenteeism for the individual ports. The note observes that a comparative study is not possible as the data on absenteeism furnished by different ports in reply to the questionnaire are by no means complete or reliable and as it is not known whether uniform definitions have been followed in arriving at the figures furnished by some of them. The percentage of absenteeism in the fort of Madras for the various departments during the years 1946 and 1947 respectively warexxxiie were the following: Marine department 4.9 and 4.7; Engineering department 8.50 and 5.35; Traffic department: shore labour 15.88 and 16,15 and others 5.42 and 6.40. The high percentage of absenteeism among shore labour according to the note, may perhaps be attributed to its temporary character. In Cochin port, the rate of absenteeism among monthly paid workers is stated to be in the neighbourhood of 5 per cent, and for dock-side labour it was about 6.3 per cent and 7 per cent respectively during 1946 and 1947. In the-Bombay port, the percentage of absenteeism among engineering workers was 14.21 and 14.11 in 1946 and 1947 respectively. Absenteeism among the directly employed dock workers was 10.35 per cent in 1946 and 9.42 per cent in 1947.

Apprenticeship. For skilled jobs in the engineering departments of the ports, each establishment has a system of apprenticeship and training. There has not been much change in the system of apprenticeship since the Labour Investigation Committee reported. In the Cochin port there is no system of apprenticeship and training.

Wages and earnings. In the ports of Cochin and Vizagapatam, the workers employed directly by these ports have been put on a time scale of pay based on the scales recommended by the Central Pay Commission and accepted by the Government of India. In the case of contract labour, while the contractors in the port of Cochin are bound by the terms of their contract to pay the same rates of wages to their men as paid by the port to the various categories of labour, the contractors of the Vizagapatam port are free to adopt their own scale of wages for their men.

Except in the case of labourers engaged on loading and unloading work, the wages of all workmen in the ports of Bombay and Calcutta were fixed on monthly rates, with regular annual increments with effect from 1 May 1946 and 1 December 1945 respectively. The authorities of both the ports have further revised the scales of pay of their workers in the light of the Central Pay Commission's recommendations. The revised scales of pay will be given effect to, on receipt of the Central Government's sanction. Statistics of basic wages for various occupations in the ports of Bombay, Calcutta, Madras and Vizagapatam show that a minimum wags of 30 rupees for the lowest category of workers prevails in all the major ports except in Clacutta where it is 26 rupees only. In the port of Madras, a ENT coolie is paid 1 rupee 2 annas per head per day. He is, however, given retainer fee of 32 rupses (22 rupeos as wages, 7 rupees as house allowance and 5 rupees as compensatory allowance) per month when there is no work. In Bombay a coolie is paid at 2 rupees 2 annas per day and in addition a dearness allowance at 17 1/2 per cent of pay (subject to a minimum of 22 rupecs) and also grain concessions. It has been stated that provision for the payment of attendance bonus, when no work can be offered is being contemplated in Bombay. In Calcutta port there is a guaranteed minimum wage for the lowest paid worker engaged in loading and unloading which is 50 rupees in cargo docks and 60 rupees in coal docks respectively for full-time attendance during the months.

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Dearness allowance. The rates of dearness allowance paid to workers in the ports of Cochinand Madras (except shore labour to whom no dearness allowance is paid) are regulated according to the rates sanctioned by the Central Government for their own employees. In the case of workers employed in the ports of Bombay and Vizagapatam, the rates manniimandxkyxkhex&estralx&evernment of dearness allowance are those prevailing in the Railway Department of the Government of India i.e., 17 1/2 per cent of the pay, subject to a minimum of 22 rupees in the case of Bombay port and wi a minimum of 14 rupees for those who are in receipt of pay below 40 rupees and 16 rupees for those who are in receipt of pay above 40 rupees per month in the Vizagapatam port. Besides receiving the railway rates of dearness allowance these employees were also receiving the benefit of issue of essential commodities at concessional rates. The money value of these concessions amounted to 19 rupees per month per family of four in Vizagapatam and 23 rupees 8 annas in Bombay. In Bombay port, workers are entitled to house rentand compensatory aldowance at varying rates. In the port of Calcutta the rate of dearness allowance for the workers is 50 per cent of their pay subject to a minimum of 25 rupees and maximum of 35 rupees per month but these rates are reduced by 50 per cent in the case of those employees who are supplied with free rations. As stated above the port authorities of Calcutta and Bombay have decided to introduce the scales of pay on the basis of the Contral Pay Commission's recommendations. When these rates are introduced the structure of dearness allowance, compensatory allowance and house rent allowance will change to that recommended by the Central Pay Commission.

Bonus.- Profit bonus is not paid in any of the ports. However, in Cochin port, bonus in lieu of overtime is paid at the rate of 50 per cent of pay to dredger crews and attendants of floating crafts, who have worked in two shifts of 12 hours each for about four weeks in a year. For the dock labourers of Bombay port, an incentive bonus and attendance schemes have kake been introduced recently.

Overtime, leave and holidays .-Overtime is worked only in cases of emergency and generally it is not compulsory. But it is very common in the ports of Bombay and Calcutta in their docks, engineering and port departments. Proper registers of overtime work are maintained in all the ports. Workers of the major ports, who are not governed by provisions of the Factories Act in this regard get overtime allowance as under :- Madras - One day's pay for a day of eight hours in Marine Department and 1/4 day's pay for every two hours overtime work in Engineering Department; Cochin and Bombay - 1 1/2 times the daily rate for work beyond 48 hours per week or 8 hours per day; Vizagapatam - Overtime work is paid according to a schedule sanctioned by the Government of India from time to time: and Calcutta - My Beyond 48 hours a week at 1 1/6 pies per rupee per hour.

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In the port of Vizagapatam the employees are governed by the State Railway Leave Rules. In Cochin port, 12 holidays per year to monthly rated workers and two to daily rated workers are admissible. Earned leave from 10 to 20 days depending upon the length of service is allowed. Medical leave from 10 to 15 days is granted for every completed year of service. In the Bombay port, 10 days' casual leave per year (non-cumulative) 1 1/4 days' earned leave on full pay for each completed month of service cumulative up to 30 days and 15 days' sick leave (noncumulative) per year on half pay on medical certificate is allowed. In the Port of Madras earned leave to non-NEXE permanent workers in Class I to III services and to permanent workers in Class IV service, is admissible at the rate of 1/22nd of duty subject to a maximum of 30 days. In the case of permanent workers in Class I to III services earned leave at the rate of 1/11th of the active service, subject to a maximum accumulation of 90 days is admissible. As regards medical leave while the permanent workers in Class I to III services get leave on half pay for one year, non-permanent workers in these classes get only two months! leave. A daily-rated man gets 10 days! leave on full pay in a year, if he has put in more than one year's and loss than ten years' service, 15 days in a year if he has put in service between 10 to 20 years and 20 days in a year if he has put in more than 20 years! service. Daily-rated men are also entitled to leave of half pay on modical certificate for a period between 15 to 20 days in a year depending upon the length of service they have put in. In the Calcutta port, the leave rules for the workers have remained the same since the Labour Investigation Committee reported.

Housing and welfare.- In the Madras port, housing facilities do not Exert exist. Workers, however, get house rent allowance at the rates adopted by the Central Government for their employees. In Cochin port no change in the housing position has taken place since the Labour Investigation Committee reported. Vizagapatam port provides quarters only to its watch and ward staff and crews of the engine room of dredgers and tugs. It is stated that funds have now been provided for the construction of workers' quarters. New and improved types of quarters having more floor space have been built in the port of Calcutta since 1944. On 1 April 1948, 124 blocks of labour quarters were taken over from Messrs Bird and Co., at a cost of over 300,000 rupees.

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All the ports have appointed labour officers who are in charge of the welfare sections of the ports. The ports of Madras, Cochin and Bombay have provided rest shelters where arrangements for drinking water also exist. In the Calcutta port, there is no rest shelter but the authorities are considering the extension of the existing canteens which will serve the purpose of rest shelters as well. The ports of Bombay and Calcutta, have provided canteens at convenient places for the supply of tea and light refreshments to the workers at cheap rates; the canteens in the ports of Vizagapatam, Cochin and Madras are run by the employers on co-operative basis. Facilities of grainshops exist in all the ports; in Madras, the employees themselves run a grainshop. In every major port there is a well equipped dispensary with qualified doctors to provide free medical aid to workers and their families. The Calcutta port provides for all treatments, pathological, bacteriological and radiological, free to the employees and their families residing in Calcutta. There are nine primary schools, maintained by the Calcutta Port Commission in different areas of the port. Another Central Primary School for which buildings have already been acquired is to be set up shortly. Madras port authorities grant six scholarships to the children of their employees.

Provident Fund - Systems of provident fund exist in all the major ports. From 1 May 1946, the minimum period of service qualifying for admission to the Bombay Port Trust Provident Fund has been reduced from three years to one year. In addition, the Mak Workers are also entitled on retirement or in the event of death while in service, to a special contribution at the rate of half months | pay for every comploted year of service, subject to a maximum of 15 months' pay. In Vizagapatam port, the system of provident fund similar to one prevailing in the Railway Department of the Government of India is in existence. The Government of India have recently sanctioned the benefit of contributory provident fund to the Work-Charged Establishment and to permanent daily-rated men in the port of Cochin. Thus about 1,000 workers will now enjoy the benefit of provident fund system in this port. All permanent staff of the Madras port are entitled to contribute to the Trust's Provident Fund. A scheme for the grant of provident fund and gratuity to the shore labour is under consideration. Facilities for the grant of loans to the workers at cheap rates of interest exist in all the ports except Cochin port. In Bombay, Calcutta, and Vizagapatam ports, credit co-operative societies serve this purpose. In Madras port, loans are granted by the port authorities on the basis of the provident fund account of the workers.

Accidents.- The following table gives figures of accidents and the amount of compensation paid during the 1946 and 1947 in four major ports:-

Name of Port		ber der	046 Df Aco nts	31-	Amount of - compen-	Num		1947 1967	dents	Amunt of compen-
	rat- al	Maj- or	• Mine or	al	sation paid	Fat-	- Kaj- or	- lein- or	Total	sation paid
					Rs.					RS.
Bombay	4	16	1341	1361	18330	3	7	1030	1040	16191
Calcutta	9	31	1	41	36541	3	7		10	12044
Cochin	ú	4	14	18	2516	÷	<u>71</u>	753	8 22	139
Vizagapatam.		2	55	57	2350	-	1	72	78	937

(Indian Labour Gazette, July, 1949).

Hyderabad: Ameliorative Measures for Industrial Labour being considered.

According to a correspondent of 'The Hindu' the Hyderabad Government has under consideration a series of regulations designed to bring the working conditions of over 100,000 industrial workers in the State to the level of those in the Indian Union. Hyderabad has 60,000 factory, 26,000 mine, 22,000 railway and 1,00 gold mining labour. Among the important regulations awaiting the Government's formal sanction is one to replace the existing Factories Regulation to provide for the safety and wolfare of the workers which did not exist before. The new regulation abolishing all distinctions between perennial and seasonal factories, will fix the working hours at 48 a week or 9 a day and will raise the age limit from 12to 14 of children for employment in a factory. Contravention of its provisions, whether by employer or employee, will be made punishable with imprisonment, as well as with fine.

Another regulation on the lines of the Government of India's Minimum Wages Act of 1948, is avaiting Government's sanction. This Regulation, when enforced, will remove a long-standing grievance, as voiced by labour leadors, by fixing a minimum wage. Promulgation of Government of India's State Insurance Act, 1948, in the form of another regulation is also under consideration of the Government. A draft regulation on the lines of the Bombay Shops and Establishments Act, 1939, has already been submitted to the Government, while promulgation of a similar enactment to the Coal Mines Provident Fund and Bonus Schemes Act of 1948 is under consideration.

It is also proposed to amend the Maternity Benefit Act of 1940 to provide ten weeks leave for expectant <u>maximum</u> mothers, working in factories (four weeks before and six weeks after delivery) with payment of 1 rupeo per day as against the present provision of seven weeks

with a cash benefit of annas eight per day. An amendment to the Trade Union Act of 1945 is also being considered. The Government of India's Industrial Disputes Act of 1947 and the Industrial Employment Standing Orders Act are being adopted to replace thelaws now in force. Draft regulations on these lines have been submitted to the Government. The amendment of the Hyderabad Mines Act on the lines of the Indian Mines Act is also under the active consideration of the departmental authorities.

(The Hindu, dated 29-8-1949).

Rationalisation of Service Conditions in Ordnance Factories: Employees to be classified into Industrial and non-Industrial categories.

According to an announcement made by the Government of India, conditions of service in establishments knownas temporary establishments (ordnance factories), extratemporary establishments, extra-temporary artisans and casual personnel in the Military Engineering Service have been placed on a rationalised footing. Besides abolition of their present designations, all these establishments will now be treated as temporary and classified into nonindustrial and industrial categories. Employees of the former category will include draughtsmen, telephone operators, store-keepers, and scientific and laboratory assistants, while those of the latter will be artisans and workmen, including unskilled labour.

A proportion of non-industrial employees will soon be made permanent. But pending the fixation of a permanent standing strength, they will be treated as temporary employees of the regular establishment with effect from 1 August 1949, and will be entitled to all the benefits in the matter of leave, pension and provident fund. Temporary staff belonging to establishments which are entitled, under the existing rules or orders, to the benefits of the Indian Ordnance Factories Workmen's Provident Fund or bonus or gratuity will, if they are more favourable, continue to be governed by these regulations in lieu of a retirement benefit in any other form pending further orders. The balance of leave in the leave account on 1 August under the existing rules will be carried forward.

Industrial employees will, however, all memain temporary and will, with effect from 1 August be entitled to retirement benefits in the form of a contributory provident fund scheme. Unless they are already entitled to this concession, they will be admitted to the benefits of the Ordnance Factories Workmen's Provident Fund rules. If an employee has rendered continuous service for five years or more prior to 1 August 1949 he will, on retirement or discharge due to retrenchment in staff, get in respect of that service a gratuity equal to half a month's pay for each completed year of service, subject to a maximum of nine months' pay. This benefit will also be admissible to personnel who had completed five years' continuous service and were discharged between 1 April and ixim 31 July 1949. If such an employee has covered ten years' continuous service, he will be given three months' notice of termination of service in case of discharge due to reduction in the establishment.

(The Hindustan Times, 1-9-1949).

The Draft West Bengal Factories Rules, 1949.

The Government of West Bengal has published the draft of the West Bengal Factories Rules, 1949, proposed to be made under the Factories Act, 1948. The rules prescribe, inter alia, procedure Effect for approval of plans and licensing of factories, powers and duties of the inspecting staff, detailed standards of cleanliness, artificial humidification, etc., the safety precautions to be observed in cotton textile mills, ginning factories, rubber mills otc., welfare measures, such as, washing facilities, first aid and ambulance room, canteens and creches, procedure relating to working hours of adults, employment of young persons and leave with wages, special precautions and special provisions relating to dangerous operations. The draft will be taken into consideration after 20 December 1949.

> (The Calcutta Gazette, Part I, dated 15 September 1949, pages 1559-1672).

Chapter 6. General Rights of Workers.

63. Individual Labour Contracts.

India - September 1949.

Assam: Working of the Industrial Employment (Standing Orders) Act, 1946, during 1948 .

In Assam during the year 1948, 15 industrial establishments submitted their standing orders for certification. But Out of these, seven drafts were received from individual tea estates and eight from other industrial establishments. All these were, however, found defective. In spite of all assistance given to them for submitting correct drafts, they could not finally submit these during the year under review.

The Indian Tea Association which represents more than 90 per cent of the tea estates of the province submitted draft standing orders for nearly 300 gardens, but the same could not be certificed during the year due to some technical defects. The Indian Tea Planters' Association, Jalpaiguri, representing 14 estates, proposed to submit joint draft mr standing orders for all its members, but they were not received during the year.

- Only one standing order has been certified so far, viz.. that for Assam Match Company.

(Indian Labour Gazetto, July, 1949).

Madras: Working of the Industrial Employment (Standing Orders) Act, 1946, during 1948.

Extent and applications.- In the Madras province during the year 1948, the Industrial Employment (Standing Orders) Act, 1946, covered 665 industrial establishments as against 654 in 1947. Out of these, 598 establishments submitted their draft standing orders for certification and the others have been asked to expedite <u>submitt</u> submission.

Certifying authority.- The Commissioner/of Labour continued to be the certifying officer. The industrial tribunals constituted in the province under the Industrial Disputes Act continued to be the appellate authorities for their respective areas. Standing Orders certified. The Braft standing orders for two establishments were certified during the year and those for another 52 establishments were not required to be certified as they were found to employ less than 100 workers. Many of the draft standing orders were either not properly worded or did not contain all the necessary provisions and as such they had to be sent back to the establishments concerned for revision. Further, the rules prescribing the manner of authorisation of certified standing orders were confirmed only by the end of October 1948. For the above reasons a large number of standing orders could not be certified during the year under review.

Prosecutions - No prosecutions was launched under section 13 of the Act against any of the employers.

Number of workers. Of the establishments which have applied for certification of standing orders so far, the figures of employment were furnished by only 369 establishments. The 209,889 workers employed in these 369 establishments were classified as follows:-

Permanent Temporary Substitutes Probationers Apprentices	163,305 39,526 3,834 946 2,278	•
Total	209,889	· · · · · · · · · · · · · · · · · · ·

(The Working of the Act in Madras during the year 1947 was summarised at paragraph 63, pages 52-54 of the report of this Office for July 1948).

(Indian Labour Gazette, July 1949).

West Bengal: Working of the Industrial Employment (Standing Orders) Act, 1946, during 1948.

During 1948, in West Bengal, the work relating to the Industrial Employment (Standing Orders) Act 1946 progressed satisfactorily. The estimated number of establishments in the province, employing 100 or more workers and coming under the provisions of the Act, was 650. During the period under review, draft standing orders for 495 undertakings were received for certification out of which 319 were certified. The chief reason for the delay in certification in certain cases was the fact that employers were not fully conversant with the provisions of the Act and long correspondence had to be undertaken to get correct returns. One appeal was filed The employment in the 495 undertakings which applied for certification of standing orders is <u>mlassifiedeau</u> classified below:-

	Factories	Others
Permanent Temporary	366,537 123;568	91,415 1,005 9
Total	489,905	92,429

(The Working of the Act in West Bengal during the year 1947 was summarised at paragraph 63; pages 52-54 of the report of this Office for July 1948).

(Indian Labour Gazette, July 1949).

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64. Wage Protection.

India - September 1949.

Mudras: Working of the Payment of Wages Act during 1948.

Extent and application.- In Madras Province during 1948, the provisions of the Payment of Wages Act were made applicable to all factories covered by sections 2(j) and 5(1) of the Factories Act, 1934, and to rm transways, motor omnibus services and plantations.

Number of workers and amount of wages paid. - Out of the 3,925 factories which worked during the year, only 3,642 factories submitted returns. The average daily work number of persons employed during the year in the factories from which the returns were received was 264,378 and in the other establishments 7,497. The total amount of wages paid including deductions, was 136,155,074 rupees in factories and 4,501,879 rupees in other establishments respectively.

Prosecutions. Ten cases relating to delay in payment were instituted during the year and one was pending at the beginning of the year. One of these was allowed and 3 were dismissed. The rost could not be disposed of during the year. Exi Eightyeight prosecutions were launched for failure of to display hotices and to maintain registers properly.

Deductions - During the period under review, the total amount of deductions made under the Act was 64,803 rupecs for factories and 2,169 rupees for other establishments. Of these, fines accounted for 11,591 rupees in the case of factories and 20 rupees for other establishments.

The following table shows the average daily number of workers employed, the total wages paid and the total amount of deductions under the Act, for the various categories of industries:-

Industry	Average da	ily Total	Total deduc-
-	number of	Wages	tions*.
	workers	paid	· · · · · · · · · ·
	employed.	•	· • •
		Rs.	ks.
Government and Fretht-			
Local fund Factories-			
Perenial	9,899	6,450,406	452
Seasonal	65	5,079	
All Other Factories-			
Perennial-			
Textiles	96,719	69,202,845	38,257
Engincering	23,747	16,006,447	20,961
Minerals and Metals	4,875	2,988,626	541
Food, Drink and			
Tobacco	49,243	12,277,479	230
Chemicals, Dyes, etc.	19,172	5,879,109	1,221
Paper and Printing.		6,140,877	2,979
Wood Stone and	•		
Glass	20,768	9,167,549	157
Gins and Presses	3,486	770,549	4
Skins and Hides	7,461	2,401,981	4
Miscellaneous	3,352	1,909,132	•
Seasonal-	•	• •	
Food, Drink and	j - 3	•	-
Tobacco	4,713	1,789,110	4 00
Gins and Presses	10,415	1,163,521	5
Miscellaneous	58	364	•
Total:.	264,378	136,153,074	64,803
Other Establishments-		5.	
Motor Omnibus			
Services	4,015	2,403,553	2,169
Tramways	1,301	1,390,665	4
Plantations	2,181	707,661	-

* Figures are given to the nearest rupee.

(The Working of the Payment of Wages Act in Madras during 1947 was summarised at paragraph 64, page 39 of the report of this Office for October 1948).

(Indian Labour Gazette, July 1949).

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Burma: Ryamont of Wages Act, 1936, extended to Mines, Quarries and Oilfields.

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By a notification dated 10 August 1949, the Government of the Union of Burma has extended the provisions of the Payment of Wages Act, 1956, to all persons employed in mines, quarries and oilfields in the Union of Burma. (The proposal to extend the Act to mines, quarries and oilfields was reported at paragraph 64, page 64 of the report of this Office for January 1949).

> (The Eurma Gazette, Part I, dated 20 August, 1949, page 720).

65. Collective Agreements.

India - September 1949.

Madras: Draft Industrial Statistics (Labour) Rules, 1949.

The Madras Government has published the draft Industrial Statistics (Labour) Rules, 1949, framed 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, periodical bonuses declared for payment to workers and conditions of eligibility, and (b) quarterly raturns in appropriate forms dealing with employment and attendance and hours of work and earnings, for the various categories of workers. These rules will be taken into consideration after 19 August 1949.

> (The Fort St. George Gazette, Part I-Extraordinary, dated 19 August 1949, pages 1-8).

66. Strike and Lockout Rights.

India - September 1949.

Bihar: Iron and Steel Industry declared Public Utility Service for Purposes of Industrial Disputes Act, 1947.

By a notification dated 24 August 1949, the Bihar Government has declared the iron and steel industry in the province to be a public utility service for the purposes of the Industrial Disputes Act, 1947, for a period of six months from 15 September 1949.

(The Bihar Gazette, Part II, dated 31 August 1949, page 1295).

Madras: Transport by Water in minor Ports declared Public Utility Service under Industrial Disputes Act.

The Government of Madras has, by a notification dated 25 August 1949, declared transport by boats in minor ports in the province public utility service under Industrial Disputes Act, 1947, for a period of six months from 15 September 1949.

> (The Fort St. Goorge Gazette, Part I, dated 13 September 1949, page 1484).

> > Hosiery

				declared
				Provinces
 Industria	il Dispu	tes Ac	t, 1947	•

By a notification dated 7 September 1949, the United Provinces Government has declared the knew hosiery industry and every undertaking connected with the manufacture or distribution of hosiery to be a public utility service for a period of six months from the date of notification, under the United Provinces Industrial Disputes Act, 1947.

> (The Government Gazetteof the United Provinces, Extraordinary, dated 7 September 1949).

67. Conciliation and Arbitration.

India - September 1949.

West Bengal: Draft Amendments to Bengal Industrial Disputes Fules, 1947.

The West Bengal Government has published the draft of certain amendments proposed to be made to the Bengal Industrial Disputes Rules, 1947, The amendments, inter alia, provide that if any question arises as to the interpretation of any award made by a tribunal, the Government may refer it to the tribunal for a decision. The amendments will be taken into consideration after 15 October 1949.

P.D.

(The Calcutta Gazette, Part I, dated 15 September 1949, page 1673).

CHAPTER 7. EMPLOYMENT AND UNEMPLOYMENT.

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INDIA - SEPTEMBER 1949.

71. Organisation of the Labour Market.

India: Employment Exchanges: Working during July, 1949.

Employment situation.- During July 1949, employment situation in the Assam and Bihar regions was dull owing to the monsoon, though Telco and Tin Plate Company at Jamshedpur continued to offer good employment opportunities and the B.N. Railway had agreed to recruit all Class IV staff needed for their Loco Department through the exchange; there were prospects of some employment also with the East Indian Railway and Military Constabulary of the province. The situation in Central Provinces and Berar, Delhi, East Punjab and Orissa continued to be satisfactory owing to a number of vacancies in the Police and Food departments and railway vacancies arising out of the Adjudicator's Award, progress in the development of Public Works and Forest Department projects, establishment of workshops for manufacturing agricultural tools, make proposed opening of a new Bata shoe factory, a salt evaporating plant, a cement factory and a resin and turpentine oil factory in East Punjab, and progress of work connected with the Hirakud and Muchland hydro-electric mituation projects. On the other hand further deterioration in the employment situation was noticed in the Bombay rogion owing to the suspension of all industrial expansion programmes, indefinite stoppage of fresh recruitment in Government offices and private industrial establishments, suspension of operations by Indian Overseas Air Lines Ltd., continued depression in textile industry, and reduction of staff of Brdnance depots and factories, though some relief was provided by recruitment for Police, Postal and Railway vacancies in the region. In the Madras region the situation continued to be dull though the Malampusha project at Palghat and Pykara and Lover Bhavani projects continued to offer good scope for employment. Large scale building operations, read cleaning and canal work in the area of the Almora Exchange in United Provinces provided good prospects of employment of labour, but technical employment was at a low level owing to heavy retrenchment in the Contral Ordnance Depot at Kanpur and a slump in leather and textile mills. There was no improvement in the employment situation in West Bengal.

In addition to the continued all-India shortage of skilled technicians in engineering and building trades, shortage of tractor-drivers, trained teachers, warning vaccinators, doctors, physical training instructors etc. was reported. Persons fresh from schools and colleges, clerks, untrained teachers, unskilled workers, semiskilled technicians, motor-drivers, peens, chowkidars etc.were generally in surplus.

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

	July 1949	June 1949	July 1948
Total number of registra- tions	108 ,161	102,498	87,610
Total number of persons placed in employment	22,240	24,160	27,200

Of those placed in employment 1,876 were ex-Servicemen and 3,112 displaced persons. The registration figure for the month recorded an increase of 5,663 over the figure for June. Increases were recorded in all regions except Assam, Central Provinces and Berar, East Punjab, and West Bengal. The highest increase (2,224) was recorded in the Bihar region and was due mainly to a large number of unskilled workers and labourers registering themselves for absorption in the Mor Project and for recruitment as Class IV workers on the Railways. The next highest increase (2,118) was recorded in the United Provinces region and was due to factors like the closing down the textile mills, retrenchment in oil mills, engineering firms and in the Central Ordinance Depot, and the registration of a large number of students after the declaration of their University examination results. The increase in the Bombay region was also substantial (1,833) and was due to the general depression in the textile industry, insistence by certain Government departments on candidates for Government jobs maxing registering themselves with the an exchanges, and the existence of Class IV railway vacancies. placement fim figure for the month recorded a fall of 1,920 over the figure for June 1949. The fall was shared by all regions except Assam, Bombay, Madras and Coorg, and Orissa. The highest fall (1,586) was in the United Provinces region and was due to the completion of the recruitment for the Panchayat Adalat vacancies, general slump in mills and factories, and dislocation of communi-cations. The fall of 723 in the East Punjab region was attributed to depression in trade, slowing down of work at the Bhakra and Nangal Projects and cessation of recruitment in the Railway Watch and Ward Dopartment and the Provincial Armed Police. On the other hand the Madras region recorded an increase of 782 in the placement figure for the month due to the recruitment of a large number of workers for the Lower Bhavani Project, of constables by the Provincial Police Department and of sepoys and fire dighters by the Watch and Ward Department.

In most regions opportunities for the employment of applicants in higher grades were limited though in the area of the Calcutta Exchange there were demands from large factories for labour officers qualified in social sequences. This demand however could not be met as persons possessing suitable qualifications were not available. Nevertheless 18 applicants were placed on salaries ranging between 215 rupees and 1200 rupees per mensem.

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

Wage groups: basic monthly pay	Number of placings
Above 101 rupees	463
61 to 100 rupees	2,131
30 to 60 rupees	14,636
29 rupees and below	5,010

Employment Exchanges in Indian States. - Returns received from employment exchanges in Indian States showed that up to the end of July 1949, 1,07,512 applicants had been registered at States exchanges and 21,409 had been found employment. These figures are in addition to those quoted above.

Employment of displaced persons .- The number of displaced persons registered during the monthwas 14,252 as compared with 15,548 in June. The number placed in omployment was 3,112. Many placements were secured against Class IV Railway vacancies arising out of the Adjudicator's Award. As a result of impending cut in free rations many ablebodied displaced persons in relief camps in Poona and Dharamsala who had hitherto shunned work rogistored themselves for employment and were willing to take up manual The Central Frovinces and Berar Government scheme work. for lotting shops to displaced persons was making rapid progress. Permanent allotment of land had started in East Punjab, and was expected to settle a very large number of displaced porsons and x an a constant in that regime region. In the areas of Ahmsdabad, Ajmer and Barrackpore exchanges, however, difficulty was experienced in the resettlement, of displaced persons owing to their reluctance to take the manual labour and unwillingness to move outside their exchange areas.

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<u>Technical and Vocational training.</u> During July 1949, there were 78 technical training centres and 100 vocational training centres functioning with 5,491 and 2,767 ox-Service men trainees respectively under training. 7,271 displaced persons 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. 225 displaced girls and women were undergoing training in the training centre at New Delhi run by the Ministry of Labour. 470 trainees (both ex-Servicemen and displaced persons) passed the trade tests in technical trades bringing the total of passed out trainees to 13,244. In the vocational trades 154 traineed passed out, bringing the total of passed out trainees to 2,951. Only 5 displaced ex-Servicemen were undergoing training in the special training centre at Neerut. The disabled trainees in the other two special training centres had completed their training. 50 trainees passed the prescribed trade tests bringing the total passed out to 1,464. An amount of 1,150 rupees was distributed to 8 disabled trainees, who had auccessfully completed the training course, for purchase of tools and equipment. The total amount so distributed up to the end of July 1949 was 144,385 rupces and the number of recipients 796. 19 moro firms agreed to participate in the Apprenticeship Training Scheme while 7 firms withdrew from the Scheme. The total number of Apprenticeship Training Centres was thus 351 and 777 ex-Servicemen and 1,662 displaced persons were under training at these centres. 190 adult civilians were undergoing training on 31 July 1949 at the Combined Training Centro, Koni, Billaspur. 222 primary school teachers were undergoing training in woodwork at the training centre in Aundh (Poena) under arrangements made with the Government of Bombay.

The third batch consisting of 114 instructor trainees continued their training at the Central Institute for training Instructors at Koni, Bilaspur.

The Government of United Provinces has regognised the Grade II preficiency certificates issued by the Directorate-General of Resettlement and Employment under the technical training scheme for Ex-Servicemen and displaced persons as equivalent to the certificates of competency to work as electrical wiremen issued by theme if.

Working of scheme for assistance for ox-Servicement womon.- In December 1947 the Allotment Committee of the ex-Service Women's Welfare Fund approached the Director General of Resettlement and Employment for participation in the distribution of funds placed at the disposal of the Committee. The Director General of Resettlement and Employment drew up a scheme under which allotments were to be made to all regions with the object of (a) assisting ex-Service Women to resettle in business, or self-employing occupations by providing them with a small amount of working capital, raw matorial or tools etc.; (b) to enable thom to complete courses of further training, study and education; and (c) to help these in distress or destitution by providing minimum expenses towards boarding charges, clothing, train fares etc. The administration of the scheme is controlled in each region by a committee constituted by the Regional Director. The total allotment made to the regions up to the quarter ending June 1949 was 15,750 rupeos ranging from 250 rupees for Orissa to 4,000 rupees for West Bengal. The number of ex-Service Women actually helped financially was 179. Quarterly reports received from Regional Directors show that this financial assistance has enabled a number of ex-Service women to continue further training in Stenography and to set up independent business such as poultry farming and dress making. In West Bengal some ex-Service women were assisted financially to form small co-operative societies.

> (Review of the Work done by the Directorate-General of Resottlement and Employment, during the Month of July 1949, issued by the Government of India).

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Textile Labour in Bombay: Decasualisation Scheme to be introduced in Ahmedabad .

With a view to regulating recruitment of labour, to increasing efficiency and production, to reducing the waiting period of unemployed textile workers and to eliminating bribery, corruption and favouritism, the Government of Bombay has, with the co-operation of the Millowners' Association and the Textile Labour Association Ahmedabad, decided to introduce for cotton textile mills in a decanualisation scheme. The scheme, inter alia, makes it compulsory for textile mills to recruit labour only from an approved list of workers and abolishes the present badli system. The Government of India has agreed to co-operate in the working of this scheme and has made available to the Government of Bombay the services of its Employment Exchange in Ahmedabad.

The provincial Government has appointed the Assistant Commissioner of Labour (Administration) at Ahmedabad, as the local Manager for working the scheme. He will be assisted in his work by an Advisory Committee, consisting of three representatives each from the Textile Labour Association, Akmedahad and the Millowners' Association, Ahmedabad. The Advisory Committee will announce from time to time the dates on which the unemployed workers of a particular mill will be registered. Only those workers who have been thrown out of employment as a result of recent closures will be registered, in the first instance.

From 15 September 1949, future recruitment in the cotton textile mills in Ahmedabad will be met through this agency.

(The Times of India, 5-9-1949).

Ahmedabad

CHAPTER 8. SOCIAL SECURITY.

INDIA - SEPTEMBER 1949.

81. Social Insurance.

Health Insurance for Workers: Standing Committee approves Working Plan.

A meeting of the Standing Committee of the Employees' State Insurance Corporation was held at New Delhi on 13 and 14 September 1949. Mr. S. Lall, Secretary, Ministry of Labour, Government of India, presided.

The Committee reviewed the progress of medical surveys conducted in various provinces and approved of the organisational set-up and working plan. This plan envisages the establishment of regional offices and the introduction of the pilot scheme in Delhi in January 1950 (vide paragraph 81, page 62 of the report of this Office for October 1948). The scheme is also expected to be introduced in Kanpur and East Punjab and the principal industrial towns in the first half of the financial year, 1950-51. The acute scarcity of accommodation for officeFs is one of the principal difficulties in the way of the commencement of the scheme in various cities.

Provincial Governments have been requested to give all possible assistance to the Corporation in the setting up of offices and executing the working plan and, with the appointment of Regional Directors in various regions, speedier progress is expected to be made. The headquarters of the Corporation is likely to be shifted to Bombay.

The Committee also approved of a draft agreement to be entered into with the provinces and the terms of the sharing of the cost of medical benefit. The cost of providing medical benefit to insured workers is estimated at 7 rupees and 8 annas per annum per worker for outdoor treatment, the stare of the Corporation being 5 rupees. For indoor treatment, like reservation of beds in hospitals, the additional cost of estimated to be 4 rupees to 5 rupees per worker. This will also be shared in the same proportion. Where the excess in the incidence of the sickness benefit payment to an insured person in a province is 25 per cent above the all-India average, the Corporation will bear the full costs. But, where the excess is between 25 and 50 per cent the Corporation's share is two-third and that of the provincial Government one-third. In cases where the proportion of the excess is between 50 and 100 per cent, the provincial Government will bear two-third and the Corporation one-third and where the excess is over 100 per cent the provincial Government will bear the cost of excess beyond 100 per cent over the all-India average.

The Committee further endorsed the views of the Medical Benefit Council relating to the adoption of allopathic treatment during the first five years of the working of the health insurance scheme and recommended a full-time salaried medical service inclusive of domiciliary attention.

With reference to the exemptions to be granted under the Act, the Committee approved of power being vested in the appropriate Government to exempt in the initial stage any factory or establishment situated in a non-industrial or sparse area or in cases where the employees are not likely to derive material benefit from the working of the Act. Persons employed for less thanseven months in a year in a perennial factory and establishments which form only a very minor part of the functions of the employing authority at a particular place are also liable to exemption. The policy of restricting exemptions to the minimum and regulating withdrawals of benefits similar to those provided under the Act was commended by the Committee.

The Commistee abolished the General Purposes Committee and resolved to meet at least once a quarter. The Director-General who is the Chief Executive of the Corporation has been empowered to exercise administrative and financial powers which are normally exercised by the Head of a Department under the Government of India.

(The Hindu, dated 15-9-1949).

85. Benefits Organised or Paid by Employors.

India - September 1949.

Pakistan: Provident Fund for Employees: East Bengal Government to enact Legislation.

Addressing a Press Conference at Dacca on 8 September 1949, Dr. A.M. Malik, Minister for of Labour, stated that the creation and administration of an employees' provident fund covering employees of all descriptions and provisions for the maintenance of service records of employees of all classes are envisaged in a Bill which the provincial Government proposes to introduce in the next session of the provincial Assembly.

The draft of the Mest Bill, to be known as "the East Bengal Provident Fund" Bill, lays down that every employer shall contribute in respect of each employee an amount equivalent to 12 pies per rupee of the employee's monthly wages to a provident fund to be created by the Government and that every employee shall be entitled to withdraw the total amount standing to his credit after a period of 30 years maxafter the total after a from the date the account was opened; or after he attains the age of 55, which ever is earlier. No employee will be entitled to the employers' contribution to the fund if he leaves his employment within three years from the date of his employment.

A board to be appointed by the provincial Government shall be the custodian of all the money credited under the Act and investment and disbursement from the fund will be made under the authority of the board, which will consist of an equal number of representatives of employees and employers.

('Davn', dated 10-9-1949).

Chapter 9. Living standards.

92. Housing.

India - September 1949.

Madras: Advisory Committee on Housing Constituted.

The Government of Madras has constituted an Advisory Committee, with the Minister for Prohibition and Housing as chairman, to advise it on problems connected with housing, min the province. The Committee will meet once a quarter or oftener if necessary.

(The Hindu, dated 18-9-1949).

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Hyderabad: Housing for Colliery Labour: Investigation Committee appointed.

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The Government of Hyderabad has appointed a Committee consisting of Mr. P. Pappiah, Chief Engineer, Communications and Buildings, Mr. Eric Marrett, Chief Architert and Mr. Panduranga Ram Krishna Padukare, to examine and report on the problem of providing houses for labour working in the coal mines in the State.

The Committee will, among other things, examine generally the existing facilities provided by collieries for housing must the workers and suggest the type of houses required for various income groups of labour at each colliery. The Committee will also give suggestions for the construction of such buildings as hospitals, clubs and recreation centres.

(The Hindu, dated 30-8-1949).

93. Co-operation.

India - September 1949.

Pakistan: Conference of Registrars of Co-operative Societies, Lahore, 5-7 September 1949: Establishment of Training Institutions recommended.

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A conference of the Registrars of co-operative societies of provinces and States was held at Lahore from 5 to 7 September 1949. Dr. S.A. Hussain, Co-operation and Marketing Adviser to the Government of Pakistan, presided and the conference surveyed the progress of co-operation in Pakistan and passed a number of resolutions including one which urged the Government to encourage co-operative farming. By another resolution the conference requested the Government to sponsor the formation of an All-Pakistan Co-operative Council. The fCollowing is a brief summary of the meeting.

Dr. Hussain's presidential address. Dr. S.A. Hussain, in Opening address said that co-operators could pit play an important part in the economic prosperity of the people. Co-operation had come to be looked upon more as a way of life than as a scries of separate institutions for specific purposes. Apart from making available credit at reasonable rates and the provision of cheap seed, cattle feed, fertilisers and agricultural implements, the co-operative movement should enter all walks of life, i.e. industry, dairy farming, marketing etc. The primary producer should be made to feel that he can join and take an active part in the movement at all stages.

Discussing the pros and cons of State aid to cooperatives, Dr. Hussain emphasised that co-operation was essentially based on self-help. Too much dependence on the State for finance and er guidance would reduce the spirit of self-reliance and independence which made for true progress. It was therefore, all the more desirable that co-operative ideas should be spread far and wide and people educated in the principles and practices of co-operation. Provincial progress. The Conference made a general review of the working of co-operative societies in the various provinces and States with particular reference to the problems which partition had brought in its wake. The Registrars of different provinces and States gave a brief resume of co-operative activities in their respective areas of jurisdiction, and explained difficulties which in some cases were hindering healthy and natural growth of the co-operative movement.

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(a) West Punjab. In a review of the workingof co-operative societies in his province, Syed Zahoor Hussain Shah, Registrar, Co-operative Societies, West Punjab, pointed out that there were approximately 14,000 societies in the province, with a membership of over 600,000 and a working capital of over 220 million rupees. These societies, he said, touched almost the entire economic field of the province; and comprised such divergent activities as credit, non-credit, thrift, supply, multi-growing, vegetable improvement, sales depots, commission shops, industrial concerns, spinning and weaving, better living, housing, insurance, etc.

(b) East Bengal.- Khan Bahadur Afsar Ali, Registrar, Co-operative Societies, inchis East Bengal, said that the number of societies in his province was 31,000, with a membership of 1.3 million, and a working capital of about 120 million rupees. He explained the progress which the East Bengal Provincial Co-operative Bank had made after partition, and the working of different co-operative societies in his province.

Mr. Wahid-uz-Zaman, a delegate from the same province, asked the Conference to approach the provincial Government to afford greater facilities to the movement.

(c) North-West Frontier Province.- Khan Mohammad Yunas Khan, Kegistrar, North-West Frontier Province Cooperative Societies, in his review, laid special stress on the spectacular progress of the Frontier Co-operative Bank and the North-West Frontier Province Co-operative Marketing Federation after partition, when all the Hindu members of the staff, who constituted about 90 per cent of the entire strength, had left the province. There were about 2,000 societies in the province, EH with a membership of 50,000, and m working capital of over 30 million rupees.

(d) Sind.- Mr. A.A. Dakhan, Registrar, Co-operative Socioties, Sind, said that Sind had 2,000 socieZties, having 200,000 members, and a working capital of 100 million rupses.

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(e) Genoral.- Khan Bashir Ahmed Khan, Honorary Secretary, All-Pakistan Co-operative Association, giving a brief description of Co-operative movements in Pakistan, said that at present the total number of co-operative societies in Pakistan was 50,000, with an aggregate membership of over 2 million, and a working capital of 500 million rupees. These figures, he said, compared wash favourably with those of the India, where the total number of societies was 100,000, having 8 million members and a working capital of 1000 million rupees.

Khan Bashir Ahmed Khan also reviewed the working of co-operatives in Karachi and Baluchistan, and said, that they were making rapid progress, and time was not far when these provinces would boast of a good number of societies.

Resolutions: Establishment of training institutions recommended. With a view to providing an efficient and well-trained staff of co-operative services, the Conference suggested the establishment of two co-operative colleges under the control of the Central Government, one in East and the other in West Pakistan. These colleges, the resolution recommended, should undertake advanced training of officers for superior comperative posts and should be financed jointly by the Central and provincial Governments. The resolution envisaged the management of these colleges by a local body, consisting of officials and non-officials.

It further called upon provincial and State Governments to establish co-operative schools to be run by provincial co-operative institutes to impart training to the following type of workers: (1) Members of managing committees of primary co-operatives; (2) Secretaries of these societies; (3) Lowergrade staff of co-operative institutions; and (4) the junior staff of the department.

Encouragement to Co-operative farming. On the question of agrarian reforms the Conference was of the opinion that the best method of stabilising the agricultural economy of Pakistan was by organising the peasantry on a co-operative basis. In a resolution on the subject the Conference called upon the provincial and Central Governments to "actively encourage the organisation of co-operative farming societies, for which land should be made available in preference to private individuals". The resolution further asked the Irrigation Department to make available the supply of water to the societies on a volumetric basis.

Establishment of co-operative council.- By another resolution the Conference requested the Government to sponsor the formation of an All-Pakistan Co-operative Council with a view to co-ordinating (1) the efforts of official and non-official agencies and (2) the working of various co-operative departments in the country. Rehabilitation of refugee craftsmen.- The Conference also took note of the fact that a very large number of refugee craftsmen, technicians and experts in small industries were present in the country and recommended to the Government to organise them on co-operative basis with a view to saving them from "exploitation by middle men and capitalists".

Others.- By a resolution the Conference urged the Central and provincial Governments to provide scholarships for studies in co-operation in foreign countries. Other resolutions related to the establishment of an All-Pakistan Marketing Federation in order to facilitate trade between East and West Pakistan, recruitment of departmental staff, etc.

The Conference also took tentative decisions relating to: (a) the organisation of co-operative industrial societies on a factory basis, [b) inclusion of Co-operation as a subject in Colleges and Universities, forware (c) devising Urdu nomenclature for various terms of Co-operation, and (d) desirability of having a uniform co-operative law for the whole of Pakistan.

> (The Civil and Military Gazette, dated 4,6,8 and 9 September 1949).

94. Education.

India - September 1949.

Overseas Scholarships Schemes revised: Only Government Employees to be sent abroad.

- Under a revised scheme for the training overseas of Indian scholars at State expense, the Central Government has reduced the number of scholarships to be offered next year. Compared with over 1,000 students sent abroad at Government expense in 1945, 1946 and 1947, no more than 30 are likely to be sent next year at a total cost of 676,000 rupees for the whole period of their training.

No scholarships were offered in 1948 pending a detailed expert report on the then existing system of selection. Similary, financial aid for training abroad was held in abeyance this year. A revision of the previous scheme has now been effected on the principle that scholars who are sent aborad at State expense must be ensured appointments on their return. This point was emphasized in the report of a committee which inquired into the working of the Government of India's overseas scholarship scheme. That this emphasis was necessary was borne out by the fact that a large percentage of scholars whose training overseas was paid for by the State in the first three years still remain unemployed.

Keeping these facts in view, the Government of India has now decided that the benefit of overseas training at State expense should be confined for the present to people already in Government service. All State scholars to be sent overseas next year will, therefore, be selected from candidates whose present jobs with the Central or provincial Governments offer scope for further training. They will all belong to technical branches.

(The Statesman, dated 28-8-1949).

Higher Teaching in Medicine: All-India Council to be constituted.

An All-India Council of Post-Graduates Medical Education to correlate standards and advise Indian Universities on studies in medicine has been constituted by the Central Government. A recommendation to that effect had been made to the Government by the Inter University Board.

Dr. A. Lakshmanaswami Mudaliar has been appointed Chairman of the Council for the first three yars. Among its six members are Dr. fivraj Mehta, Maj-Gen. Sahib Sokhey, Director, Haffkine Institute, and Dr. K.C.K.E. Raja, Director-General of Health Services, India.

(The Statesman, dated 9-9-1949).

Pakistan: Commercial Education Committee

With a view re-organising commercial education in Pakistan and makingit making it more effective the Government of Pakistan has appointed a Commercial Education Committee, consisting of six members, with Mr. Zahid Husain, Governor, State Bank of Pakistan as Chairman and Dr. A.I. Qureshi, Deputy Economic Adviser to the Pakistan Government as Secretary. The functions of the Committee would be to consider the whole question of the organisation and development of commercial education in Pakistan.

> (The Gazette of Pakistan, Part Ir Section 1, dated 16 September, 1949, pages 431-432).

Burma: Médical Education Committee appointed.

The Government of Burma Union has appointed a departmental Committee, consisting of nine members with the Director of Medical and Health Services as chairman, to investigate ways and means for the provision of better and improved facilities for medical education in Burma. There is a great dearth of medical men in Burma and it is absolutely essential that facilities for medical training should be provided so that in the not very distant future the Union will be self-sufficient in this direction.

> (Supplement to the Burma Gagette, dated 27 August 1949, page 485).

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95. Social Conditions.

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India - September 1949.

Indian Conference of Social Work: Third Annual Session to be held in December, 1949.

Fraternal observers from 22 Asian countries are expected to attend the third annual session of the Indian Conference of Social Work type held in Delhi during the last mf week of December, 1949. Delegates from all parts of India will take part. The conference, which will be presided over by Dr. Jivraj N. Mehta, will be marked by a symposium on "Social work abroad", participants in which will include the representatives of the United States of America, the United Socialist Soviet Republics the United Kingdom, Australia, Czechoslovakia, Sweden and Switzerland. The symposium will give a general picture of social services abroad. The deliberations of the conference, which will continue for about a week, will cover such subjects as State and social services, family and child welfare and youth welfare and ant social work, work, industry.

Both the Central and provincial Governments lately have been encouraging education in social work by giving grant-in-aid to schools of social work, deputing their officers for training and showing preference to trained workers in welfare jobs. At present there are three full-fledged Post-Graduate institutions for training max social workers in India. They are, the Tata Institute of Social Sciences, Bombay, the National Y.W.C.A. School of Social work of Delhi, and the Institute of Social Sciences, Benares. In addition to these, the University of Calcutta has instituted a diploma course in social work for specially nominated students.

(The Hindu, dated 5-9-1949).

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

INDIA - SEPTEMBER 1949.

111.Agriculture.

Pilot Scheme for Crop Insurance: Experts Recommendations.

The immediate introduction of a research pilot scheme of crop insurance for selected crops in certain homogeneous areas was recommended by a conference of actuaries, and insural livestock and agricultural experts held in Bombay on 12 September 1949. Mr. K.L. Punjabi, Agricultural Secretary, Government of India presided.

The conference considered the reports on crop and cattle insurance submitted to the Central Ministry of Agriculture by Mr. G.S. Priolkar, who was appointed Officer on Special Duty to work out a detailed experimental scheme on this subject. It suggested that insurance might be offered for three or four crops of major importance in centres selected as representative of the major producing regions. Permanently settled areas might, however, be excluded from the scope of the operation of the scheme. Areas of comparatively homogeneous agricultural practices might be selected for the operation of the scheme, and those further divided according to irrigation facilities and soil-class. Each such division might be treated as a unit for purposes of loss-adjustment and an indemnity paid to all the insured farms within the area on the basis of the average seasonal condition of the insured crop in the division. These indemnities could be supplemented by others payable when local calamities such as hail, floods, locusts, pests, occur. For determining the seasonal condition of a crop in each division a crop-cutting survey on principles of random sampling was recommended.

Enradukerni Insurance might be offered on a compulsory basis wherever sufficient local response was available. The insured benefit should be limited to 2/3 of actual loss on the basis of an insured value of 75 per cent of the standard yield. The possibility of providing additional cover/should also be examined. The operation of the scheme should be accompanied by well-organised publicity and propaganda.

In view of the fact that private capital would not be available for this purpose in the initial stages, the Government of India should run the pilot scheme under its own auspices for a period of five years and bear the entire expenses, the conference suggested. Every endeavour should, however, be made to run the scheme on business lines. The conference also recommended that a research pilot scheme of cattle insurance should be immediately undertaken.

(The Statesman, dated 14-9-1949).

Pakistan: Abolition of Jagirs: Government asked to take immediate Action by Muslim League Working Committee.

The Working Committee of the All Pakistan Muslim League at a meeting held in Karachi on 29 August 1949, considered the report of its Agrarian Reforms Committee (vide paragraph 111, pages 62-67 of the report of this Office for July 1949), and recommended immediate abolition of hereditary jagirdaris winout any compensation. Other recommendations of the Committee were: Cash rental should be substituted for batai as soon as practicable; the proprietary rights in land held by the occupancy tenants should be purchased by the Government; security of tenure for tenants-at-will should be provided by the provincial Government concerned; all feudal and customarydues, levies, cesses and services should be abolished for thwith and made illegal and punishable by law.

The Committee called for "immediate implementation" of these recommendations "to afford relief to the agriculturalists who are the backbone of Pakistan".

The Committee did not discuss the question of tenancy in East Bengal as the provincial Government had already Introduced a Bill in its Assembly for the abolition of zamindaris (vide paragraph 111, pages 98-99 of the report of this Office for May 1948).

(Dawn , dated 30-8-1949).

112. Indigenous Workers.

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India - September 1949.

Bombay: Criminal Tribes Act repealed.

Mr. G.D. Tapase, Minister for Backward Classes, Government of Bombay, announced at a Press Conference on 11 August 1949, the provincial Government's decision to repeal the Criminal Tribes Act from 13 August 1949.

The Minister said that by repeal of the Act over 700,000 people belonging to nine divergent castes and tribes would be completely freed from the legal stigma of criminality. At one X2% time, as many as 28 different tribes, with a population of nearly 1,200,000, according to the 1931 census, were classed as criminal, and brought within the purview of the Criminal Tribes Act. The Munshi Committee, which was appointed by the Government in 1937, after an elaborate enquiry into the working of the Criminal Tribes Act in the province, recorded an emphatic opinion that the so-called criminal tribes were not inherently criminal in the sense either that their criminality was necessarily hereditary or that no amount of attany attempts at improving them could alter their habits.

legislation p

History of Legislation .- Reviewing the history of the tribes, Mr. Tapase said that the first Criminal Tribes Act was passed by the Government of India in 1871. But the Act was not applied to the Bombay Province. There was a subsequent amendment to the Act in 1897 and another amendment in 1911, which marked the real beginning of the Criminal Tribes Administration in Bombay, though two Settlements, viz., at Bijapur and Bagalkot, were established in 1910. The main objective of the Criminal Tribes Act was to safeguard the rightspf society against anti-social influence and its secondary aim was the reformation of the so-called criminal tribes. The first objective was sought to be achieved by various restrictions imposed on certain tribes in general or an particular members of particular tribos. The restrictions generally included restrictions on the place of residence, restrictions on their movements, reports to the Police or other authorities at fixed intervals, etc. These restrictions were generally enforced by the Police Department. The reformative side was attended by to by the Criminal Tribes Settlement Department (later redesignated as the Backward Class Department). Persons mensioned to be in need of reformation were interned by executive order in the settlements started under the Act and these settlements were intended to concentrate on the positive aspect of the actual reformation of the tribes. In these settlements persons were informatic interned with their whole families and sometimes whole groups were interned simultaneously.

The rules originally provided for the discharge of a person interned in a settlement on probation after a satisfactory stay of six years in the case of a member of a domiciled tribe and of eight years in the case of a member of a wandering gribe. Such discharge was, however, canditional on the settler not having incurred any disciplinary punishment for breach of rules of the settlement during the final three years of his residence in such settlement, and it was further necessary that when there were more than one registered settlers in a joint family living in the settlement, each member must fulfil these conditions before the family was discharged. Hedged in with these restrictions discharges on probation were not easy, owing to the very wide nature of possible disciplinary punishments and the meticulous rules of conduct prescribed for the settlers. In 1943, this period for of satisfactory stay in a settlement was reduced to five years and the scope of disciplinary punishment which would be a bar to the discharge was circumscribed. After discharge on probation, a settler had to be of good conduct for six years baseness before he could finally be freed from all the restrictions under the Act. During this period of six years, he was liable to recall to the settlement for one reason or the other and only if thereenplied he complied with all the conditions of probation meticulously he was eligible for deregistration. In 1943, the period of six years was reduced to five years.

Early in 1947, the pesent Government appointed a Committee at the highest level, consisting of the Premier as Chairman, to enquire into the problem of the criminal tribes. On the recommendations made by the Committee, the Government decided that the time had come when whole communities should not be dubbed as criminal and treated as such. In pursuance of this conclusion, it was decided to repeal the Criminal Tribes Act which operated communitywise, as soon as the Habitual Offenders' Restriction Act is placed on the Statute Book.

Pending the repeal of the Criminal Tribes Act, the Government kas ordered progressive relaxations in the Criminal Tribes Administration and the progressive Winding up of the settlements. In 1937 there were 14 settlements with free colonies attached to them and five free colonies not attached to any settlements. When the Criminal Tribes Act Enquiry Committee, 1947, commenced its enquiry, there were 13 settlements with free colomies attached to them and four unattached free colonies, and 18 fribes were notified as criminal tribes and subjected to the restrictions of the Act. With the implementation of the orders issued by the Government on the report of this Committee, on the eve of the repeal of the Criminal Tribes Act, the number of notified criminal tribes had been reduced to nine. Nine other tribes, with an appro-ximate population of 250,000, have been denotified from the operation of the Act in the course of the last two years. At present only three settlements, those at Sholapur, Hubli and Ahmedabad, with free comonies attached to them were functioning as official asylums for internees under the Criminal Tribes Act and the free colonies attached to them as official asylums for some persons released on probation.

With the repeal of the Criminal Tribes Act, the people in these settlements and free colonies, many of whom have settled therein for long and some for a generation or two; would continue to live there as ordinary citizens. Mr. Tapase added that the question of starting labour welfare centres in these areas, where a large proportion of the population 1/20 engaged in industrial labour, Ales under the consideration of the Government.

In conclusion, Mr. Tapase said that simultaneously with the decision to repeal the Criminal Tribes Act the Government had decided that the main objective of the Act, viz., to safeguard the rights of society against anti-social influence, could best be secured by functional legislation which dealt with habitual offenders as such rather than by a communal piece of legislation such as the Criminal Tribes Act. The Habitual Offenders' Restriction Act, 1947, was accordingly placed on the Statute Book in 1947 and is now in foce. There need, therefore, be no fear that the repeal of the Act would give licence to criminals drawn from the tribes previously notified under the Criminal Tribes Act, as these criminals would be dealt with under the new Act in the same manner as criminals belonging to any other communities.

> (People's Raj, issued by the Directorate of Publicity, Government of Bombay, dated 25-8-1949).

Reformation of Criminal Tribes in Exits the United Provinces.

The United Provinces, which has the largest concentration of criminal tribes in India, has recently launched a reclamation drive.

There are at present six criminal tribe settlements in the province, with a total population of 3,000. The remainder, numbering about 34,000 registered and 1,400,000 unregistered, are spread out in various districts. Most of them have been settled in 1,000 small villages near police stations. The Government's annual expenditure on criminal tribes has shown an increase of 200,000 rupees.

Primary education is compulsory in the settlements and for higher educations stipends are given to students. Cottage industries like handloom, leather and cane-knitting are also taught. Five settlements are at present run by private organisations and they will shortly be taken overby the Government to obtain a uniform level methof improvement. Reform of persons outside the settlements is done through tribal panchayats. The Criminal Tribes Inquiry Committee appointed by the Government, has recommended the repeal of the Criminal Tribes Act 1924 and suggested enactment of the Habitual Offenders and Vagrants Act to deal with criminals, without distinction of caste, creed or religion. The Government has recently relaxed rules regarding surveillance and registration in respect of the tribes. The number of registered persons is 32,000 and those under surveillance 14,000.

(The Statesman, dated 9-9-1949).

113. Navigation.

India - September 1949.

Shipbuilding Yard at Vizagapatam: Government of India to take over Control.

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On 29 August 1949, Dr. Syama Prasad Mookerjee, Minister for Industry and Supply, Government of India, stated in Calcutta that the Government had decided to tkn take over the ship-building yard at Vizagapatam. The Government, he main added, were anxious that the development of Indian shipping and the expansion of ship-building industry must go hand in hand.

Dr. Mookerjee said that the policy of the Government of India was that as soon as circumstances permitted, it would arrange for the administration of the shipping companies and of the ship-building industry in such a way that it might have control over ships manufactured in foreign countries as also of the ships manufactured in India. It was the settled policy of the Government that in accordance with the national interest there must be more ships to take charge of the coastal as also the international traffic. There must be a programme and policy for the building of as many ships as possible in India.

(The Hindustan Times, 30-8-1949).

117. Shopworkers.

India - September 1949.

Working of the United Provinces Shops and Establishments Act, 1947, during 1948.

Extent and application.- The United Provinces Shops and Commercial Establishments Act 1947, was enforced from 1 December 1947 in 24 towns in the province. Subsequently the Act was extended to Subhasnagar (Bareilly); and from September 1948 it was enforced in the whole of the province in respect of those classes of employees of vacuum pan sugar factories to whom the provisions of the Factories Act, 1954 did not apply. A number of representations for the extension of the Act to other towns were received but it was not considered advisable to do so at this stage. Since the Act was new, a large number of meetings of the employers and employees were ket held in which the provisions of the Act were explained.

Inspections and presecutions. The total number of inspections made was 25,698. It was not considered desirable to force compliance of the ixix law through legal action and for the first six months of the enforcement no prosecutions were launched, but methods of persuasion were adopted. The total number of prosecutions launched during the year under review was 66. Twenty-three cases were decided resulting in 21 convictions. In one of the cases of acquittal, Government have filed an appeal against the judgment of the trying magistrate. The total amount of fine imposed in the 21 cases was 540 rupees.

Complaints. The enforcement of the Act brought considerable relief to the employees. The total number of complaints received was 1,420,out of which 1,263 were disposed of and 157 were pending at the close of/the year. Besides the written complaints, a large number of oral complaints were received. These were attended to on the spot.

(Indian Labour Gazette, July 1949).

Madras Shops and Establishments Act, 1947: Exemptions.

By recent notifications the Government of Madras has granted the following exemptions from the provisions of the Madras Shops and Establishments Act, 1943: (a) Offices of registered accountants and auditors, offices of air service companies and educational establishments and attached hostels have been exempted from all the provisions of the Act; and (b) shops dealing mainly with aerated water have been exempted from Section 11(1) of the Act, which relates to closure of shops on one day in a woek.

> (The Fort St. George Gazette, Part I, dated 23 August 1949, page 1348; The Fort St. George Gazette, Part I; dated 6 September 1949, page 1427).

CHAPTER 12. INDUSTRIAL COMMITTEES.

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INDIA - SEPTEMBER 1949.

121. Special Information.

Meeting of Standing Plantation Committee, New Delhi, 20-9-1949: Proposed Plantation Bill discussed.

The Standing Plantation Committee consisting of representatives of Governments (Central and provincial), planters and workers met in New Delhi on 20 September 1949 under the presidentship of Mr. S. Lall, Secretary, Ministry of Labour, Government of India.

Mr. Lall in his opening speech remarked that the ILO's previous conventions and recommendations related mostly to factories and industrial labour, but it was now seriously tackling agricultural problems. In pursuance of this policy, it washow taking up the question of plantation labour, and had set up an international committee to study the working conditions in plantations all over the world. Mr. Lall added that the Plantation Committee of/the ILO which will consist of representatives of Governments, planters and workers, will meet in 1950 and said that the purpose of calling a meeting of the Standing Plantation Committee was to determine the line/of action India should adopt in relation to the plantation industry.

The Committee discussed a questionnaire circulated to member Governments by the ILO relating Conditions of work in plantations. The Committee also discussed the draft of a bill which the Government of India proposes to introduce to govern conditions of the labour in plantations.

(The Statesman, dated 21-9-1949).

LIST OF THE MORE IMPORTANT PUBLICATIONSRECEIVED IN THE NEW DELHI OFFICE DURING SEPTEMBER, 1949.

International Labour Organisation

Government of India, Ministry of Labour: Summary of Proceedings of the International Labour Office Consultative Meetings on the Organisation of Co-operative Development held under the auspices of the Ministry of Labour, at Madras, Bombay and Delhi, November-December 1948: Published by the Manager of Publications, Delhi, 1949; pages 46; Price Rs.3 or 5sh.

Professional Organisations

- (a) Indian Jute Mills Association: Report of the Committee for the year ended 31st December 1948, Calcutta: Printed at the Reliance Printing Works, 219 A, Old China Bazar Street, Calcutta: pp.151.
- (b) Federation of Indian Chambers of Conmerce and Industry: Proceedings of the Twenty-second Annual Meeting held at New Delhi on 3rd and 4th March 1949: Vol.III, 1949; 28, Ferozshah Road, New Delhi; pp.iv x 195.
- (c) Annual Market Review, 1948: Premchand Roychand and Sons, Limited, Bombay; pp.86.
- (d) Annual Report on the Workinghf the Indian Trade Unions Act, 1926 in the United Provinces for the year 1946-47: Allahabad: Superintendent, Printing and Stationery, United Provinces, India, 1949: pp.58; price Re.1-4-0.

Economic Questions

Administration Report of the Madras Port Trust for 1948-49; pp.33.

Working Conditions

Statements showing the Working of the Factories Act in British India during 1946; pp.39.

Problems Peculiar to Certain Occupations or Categories of Occupations

Government of Sind, Hari Enquiry Committee, Minute of Dissent, by M. Masud, I.C.S. (Pak); Price: Re.1; pp.37.