

C 6/2/53

Industrial and Labour Developments in August 1944.

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

<u>Contents.</u>	<u>Pages.</u>
1. <u>National Labour Legislation.-</u>	
<u>Bengal:</u>	
Reduction for Food Supply permitted under Payment Wages Act: Bengal Government's Notification.	1
2. <u>Social Policy.-</u>	
(a) Trade Disputes Bill to be introduced in Kolhapur State Legislature.	2
(b) Sixth Plenary Labour Conference to be held at New Delhi ✓ on 27 and 28-10-1944.	2-5
(c) Administrative Machinery for Labour Subjects in Ajmer- Merwara: Labour Officer Appointed.	5
3. <u>Conditions of Work.-</u>	
<u>General:</u>	
(a) Conditions of Work in N.S. Railway.	6-7
(b) Administration of Factories Act in Bombay during 1943.	7-8
(c) Standing Orders for large Industrial Undertakings: A.I.T.U.C.'s Criticism of Government of India's Notifi- cation.	8-9
(d) Conditions of Work in Bihar Coal Mines: Provincial A.I.T.U.C.'s Report.	9-11
(e) Grievances of Coal Mining Labour: Labour Welfare Officers to take Steps for Removal.	11
(f) Administration of Factories Act in Madras in 1943.	11-12
4. <u>Economic Conditions.-</u>	
(a) Economic Trends in India in 1943-44.	13-15
(b) Standing Finance Committee Meeting, New Delhi 31-7-1944 and 1-8-1944.	16
(c) Industrial Research Institute to be Opened in Hyderabad State.	17
(d) Meeting of the Governing Body of the Council of Scientific and Industrial Research, New Delhi, 3-8-1944.	17
(e) Central Oilseeds Committee to be Set up.	17-18
(f) Encouragement of Industries: F.I.C.C.I. Urges Government to revise Taxation Policy.	18
(g) Promotion of Industries in Madras Province: Government's New Measures.	19
(h) All-India Index Numbers of Whole-Sale Prices of Food Articles: New Series Published by Government of India.	19
(i) All India Scheme to protect Industrial Rights drawn up by U.P. Chamber of Commerce.	20
(j) The Papanasam Hydro-thermal Project Opened.	20
5. <u>Social Insurance.-</u>	
(a) Working of the Workmens' Compensation Act and the Payment of Wages Act in Bombay during 1943.	21
6. <u>Agriculture.-</u>	
(a) Agricultural Research in Mysore State.	22

6.	<u>Agriculture (continued).-</u>	
	(b) Agricultural Research Schemes for U.P.	22
	(c) Number of Dairy Farms to be opened in Bengal.	23
7.	<u>Navigation.-</u>	
	R.I.N. Training Centre opened in Poona.	24
8.	<u>Co-operation and Cottage Industries.-</u>	
	(a) Rationing and Co-operative Societies.	25
	(b) 12,000 Agricultural Co-operative Credit Societies to be opened in Bengal.	25
	(c) Industrial Co-operatives to be opened in Bombay.	26
	(d) Banks and Thrift Societies to be Organised in Baroda to encourage Workers to save.	26
9.	<u>Living Conditions.-</u>	
	<u>Housing:</u>	
	New Industrial Suburbs near Bangalore City.	27
10.	<u>Organisation, Congresses, Etc.-</u>	
	<u>Employer's Organisations:</u>	
	Annual Meeting of the United Planters' Association of South India: Coconoor, 9 and 10-8-1944.	28
	<u>Workers' Organisations:</u>	
	Progress of Trade Unions in C.P. and Berar in 1942-1943.	29
11.	<u>Public Health.-</u>	
	Leprosy Control in C.P.: Inquiry Committee's Report.	30
12.	<u>Social Policy in War Time.-</u>	
	<u>Wages:</u>	
	(a) Workers' Bonus not to be related to Industry's Profits: Views of Committee of Bombay Chamber of Commerce.	31
	(b) Ceiling Rates of Wages to be fixed by Sind Provincial Labour Supply Committee.	31
	(c) Railwaymen's Demand for Higher Wages.	32
	<u>Employment:</u>	
	(a) Inclusion of Ex-trainees from Technical Training Scheme in Bevin Training Scheme.	33
	(b) Grant of Free Travel Facilities to Technical Personnel in National Service.	33
	(c) Over 1,000 Workers placed in Employment by Employment Exchanges.	34
	(d) Labour Depot to be Opened Near Calcutta.	34
	(e) Meeting of the Technical Training Advisory Committee, Calcutta, 24 to 26-8-1944.	35-36
	(f) Government Contemplates appointing Technical Education Commission.	37
	<u>Compensation for War Injuries:</u>	
	Special Officers to be Appointed under War Injuries Compensation Insurance Scheme.	37
	<u>War Finance:</u>	
	Compulsory Savings Scheme in Hyderabad State: New Anti-Inflationary Measure.	37

Price Control:

1st Meeting of Central Consumers' Council, New Delhi,
17 and 18-7-1944: Details of Decisions. 38-39

Production:

- (a) The Coal Production Fund Ordinance, 1944, (Ordinance No. XXXIX of 1944). 39
- (b) Information on Indian Industries not to be sent Out: Government of India's Notice to Chambers of Commerce. 39

Control Measures:

- (a) Paper Control Position: Bombay Conference of Government of India and Interests. 40
- (b) The Paper Control (Production) Order, 1944. 41
- (c) The Rubber Manufactures Control Order, 1944. 41
- (d) The Paper Price Control Order, 1944. 41

Food:

Efforts to Grow More Food: Restrictions on Non-Food Crops in Hyderabad State. 42-43

Post-War Reconstruction:

- (a) Post-war Expansion Plans for Vocational Education in Hyderabad State. 44-45
- (b) Labour Investigation Committee's Questionnaires on Mines and Plantations. 45
- (c) Protection of Industries after the War: Plea of the All India Manufacturers' Organisation. 46
- (d) Sir Ardeshir Dalal takes charge of Planning and Development Department. 46
- (e) Road Development for India: Presidential Address of Mr. Kynnersley at Annual Meeting of Indian Roads and Transport Development Association. 47-48
- (f) Bombay Government's Fifteen Year Plan of Rural Development. 48-51
- (g) Government of India's Basic-Plan of Post-War Development of Railways. 51-52
- (h) Survey of Bengal's Power Resources: Post-war Sub-committee's Recommendations. 52

13. List of the more important publications received in this Office during August, 1944. 53

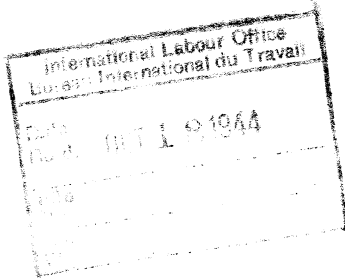
- - - - -

NATIONAL LABOUR LEGISLATION.

Bengal:

Reduction for Food Supply permitted under Payment
Wages Act: Bengal Government's Notification.

In exercise of the power conferred by the Payment of Wages Act, 1936, the Government of Bengal issued a notification on 12-8-1944 to authorise deduction from Wages on account of supply of food grains to factory employees, from employers' grainshops. But the maximum amount that may be deducted from an employee's wages on this account is 75 per cent.



(Notification No. 2871 Com. dated
12-8-1944 the Calcutta Gazette,
dated 24-8-1944, Part I, pages
1060-1061).

SOCIAL POLICY.

Trade Disputes Bill to be introduced in
Kolhapur State Legislature.

At a press conference held at Kolhapur (town) on 7-8-1944 the Prime Minister of the ~~Kolhapur~~ Kolhapur State announced the intention of the State Government to introduce a bill modelled ~~after~~ on the Bombay Trades Disputes Act, 1938, ~~the~~ in the next session of the Kolhapur Legislature, ~~and~~ and in the meantime, to assume such powers under the Defence Rules as was felt necessary, for the settlement of trade disputes.

(The Bombay Chronicle, 9-8-1944).

Sixth Plenary Labour Conference to be held at
New Delhi on 27 and 28-10-1944.

The government of India proposes holding the Sixth Plenary Labour Conference (Third Tripartite Conference) on 27 and 28-10-1944, and if necessary on 30-10-1944 also, at New Delhi. Two of the subjects which have been placed on the agenda are: (1) Compulsory insurance of liability under the Workmen's Compensation Act, 1923; and (2) Statutory machinery for fixation of minimum wages. It is understood that the subject of employment organisation in the transition from war to peace will also be discussed with reference the Philadelphia decisions on the subject.

I. Compulsory Insurance.- The Government of Sind is understood to have suggested (on the basis of para 79 of Sir William Beveridge's report) that there should be compulsory insurance of liability under the Workmen's Compensation Act. It contends that the defects pointed out by Sir William in his report on Social Insurance and Allied Services exist to a greater degree in India and that though the Beveridge proposal for one comprehensive system of social insurance may perhaps not be possible in India at this stage, compulsory insurance of the workmen's compensation liability is both possible and advisable.

Previous Discussions on the Subject.- (a) The Bihar Labour Enquiry Committee ~~has~~ emphasised the need for compulsory compensation insurance (vide page 156, para 320, of their report - Volume I). (b) Compulsory Insurance of liability under the Workmen's Compensation Act was discussed when the draft proposals for the War Injuries (Compensation Insurance) were being examined at the first meeting of the Standing Labour Committee in 1942.

Present Position.- In 1922 a preliminary Committee (set up to examine the Workmen's Compensation Bill of 1922 before its introduction) stated as ~~follows~~ follows:- "It may be doubted if we are ready for this state in India. Many Indian employers have very little idea of the value of insurance and will strongly resent being compelled to pay premiums. Moreover, there is no certainty that, to begin with, there will be adequate facilities for insurance", and recommended, instead of insurance, the provision that compensation claim should have priority in bankruptcy

proceedings. The Workmen's Compensation Act has now been in operation for nearly 20 years and it is felt right to consider whether the same objection still exists. The following facts are relevant:- (a) In 1939 insurance companies handled more than 50 per cent of the cases in Bombay. (b) The Calcutta Claims Bureau represents most of the leading concerns in Bengal, particularly in jute and coal industries. (c) It is believed that there are still a large number of employers averse to insurance, and consequently cases may arise where large claims from the workers as a result of an accident, may not be met. (d) It is argued that some employers evade liability, or postpone payment by contesting compensation claims by putting men of straw as contractors with the ostensible object of obtaining indemnity from them.

Also, practice in other countries has proved the advantage of compulsory insurance under the Workmen's Compensation Act.

At present the Labour Investigation Committee is collecting data on the basis of which schemes of social insurance or social assistance may be considered in this country. It is not possible at this stage to envisage the results of their investigations, or to foresee the recommendations of the mixed planning committee which will be set up, but the Government feels that the present subject can be discussed without waiting for the report of the fact-finding committee and that the present discussions will be useful irrespective of what wider developments may occur subsequently.

Points for Discussion:- The points for discussion at the Conference are: (1) Whether insurance of the Employers' liability under the Workmen's Compensation Act should be made compulsory? (2) If so (a) whether a special insurance agency should be set up or services of existing commercial insurance companies should be used? (b) should all employers or only specified categories of them be covered? (3) If decision is in favour of private commercial companies, should there be statutory control over rates of premium? (4) If decision is in favour of a special insurance agency, what form should it take?

II. Minimum Wages.- The question of establishing statutory minimum wage fixing machinery was discussed at the third meeting of the Standing Labour Committee in May 1943, at the Labour Conference in September 1943, and again at the Fourth meeting of the Standing Labour Committee in January 1944. At the last mentioned meeting there was general consensus of opinion in favour of setting up Regional Wage Boards for the purposes of statutory minimum wage fixation for industrial labour in India. The Government of India has given further consideration to the subject and ~~is understood~~ desires to seek the advice of the Conference on certain broad principles before proceeding further. Some of the points on which the Conference is being consulted are as follow:

(a) Composition of the Board.- The following alternatives are suggested for consideration:- (i) A Board should be composed of a Chairman with two or more independent members as members and with employers' and workers' representatives as assessors. (ii) A Board should be composed of a Chairman with independent members and an equal number of representatives of employers and workers as members. The balance of advantage, it is felt, appears to be with the first alternative. If employers and workers' representatives are members of a Board, then to get a majority, independent members must side with one or other and cannot themselves—unless they get the support of one or other—decide on a satisfactory compromise.

(b) Authority to set up Boards.- It is suggested that— (i) the Centre should be responsible for setting up Boards in respect of industries, etc., which are a Central Government responsibility, such as Ports,

4

Railways, Mines; (ii) in all other cases Boards should be set up by Provincial Governments.

(c) Jurisdiction of Boards.- Where Boards are set up by the Centre, jurisdiction might have to be separately considered in each case. In the case of Boards set up by the Provinces, it would seem that in the ordinary case jurisdiction should be limited by provincial boundaries. Power, however, might be left to Provincial Governments to set up a Board with lesser jurisdiction or by an agreement with another Province to set up a Board covering an area both within and without a province.

(d) Functions of Boards.- It is suggested that— (i) Boards should be purely advisory and orders on their advice should be issued by the authorities responsible for setting up the Boards, but no order modifying the advice of a Board should be issued by Government without consultation with the Board. It should be provided that the duties of the Board may extend to the following matters:- (1) the fixation of a minimum wage for the industry (i.e., wage which any worker in that industry shall be able to earn by reasonable application) and also fall-back minimum time rate which must be paid to every worker; (2) the fixation of a normal working week and rates of over-time; (3) the fixation of minimum wage rates as in (1) above for the different occupations within the industry; and (4) general conditions of employment or any particular condition of employment.

(ii) When a Board is appointed, the authority appointing it shall in the appointing order direct it to advise on any or all of such matters in regard to the scheduled industry for which it is appointed.

(e) Staff of the Board.- (i) The appointing authority shall appoint a Secretary to the Board who shall be a Government official.

(ii) The Board shall be entitled to ask Government to make any enquiries considered necessary for the purpose of tendering their advice and it shall then be open to Government to make such enquiries through their own staff or to appoint special staff in the Board's Secretariat for the purpose.

(f) Scheduling of industries.- Difficulty may arise by reason of the limitation of Board's jurisdiction (which must necessarily result from the constitutional position of India) to provincial boundaries and this difficulty will become greater in the case of industries which have, what may be called, all-India importance. One method might be adopted for getting round this difficulty would be— (i) that the Centre only should be empowered under the Act to schedule an industry to which Wages Board procedure would be applicable. Such scheduling should be done after taking the advice of Provinces. (ii) Such scheduling would be of two kinds—(a) scheduling of industries in regard to which Provinces would be given power to set up Wages Boards if they so desired; (b) scheduling of industries in regard to which those Provinces (named at the time of scheduling), would be required to set up Wages Boards. (iii) In cases where scheduling took the second form, a Wages Board would not be empowered to make a recommendation to the Centre or a Province (as the case might be), until it had given Wages Boards in other Provinces the opportunity of expressing their opinion on any proposals under consideration by the Board. If this procedure were adopted, it may be thought necessary that there should be a convention that the Centre would always schedule an industry if a Province presented in a request for such scheduling after the Centre had pointed out difficulties, if any, involved in the proposal.

(g) Industries which might be considered for scheduling.- In Great Britain Wages (including Trade) Boards were first established in industries in which there was "sweating" or unsatisfactory conditions. It might be considered that this would be a suitable method of starting also in

India. If so, Provinces could be asked to suggest suitable industries falling under this category. Another suggestion might be to consider industries (such as the coal industry) in which some standard wage rate was desirable. (It is understood that among the other subjects that may be considered by the Conference are (i) the question of contribution from the general revenues to the sickness insurance scheme for industrial workers and (ii) the amendment of the Trade Disputes Act.)

(Communication from the Government of India, Department of Labour; and ~~the~~ Hindu dated 30-8-1944).

Administrative Machinery for Labour Subjects
in Ajmer-Merwara: Labour Officer Appointed .,

Ajmer-Merwara constitutes quite an important industrial area with its cotton mills and railway workshops. There has not been, however, an administrative machinery to look into the various problems of labour in that area so far. The Central Government has therefore recently decided to form an organisation with a Labour Officer at its head, to look after the welfare and various other problems relating to labour.

(Indian Labour Gazette, August, 1944).

Conditions of Work

6

General.

Conditions of Work in N.S. Railway.

In Hyderabad, the Nizam's State Railway is the biggest employer of labour, with nearly 20,000 workers, skilled and unskilled, on its rolls. In recent years, the State Railway Administration has introduced many improvements in the conditions of service of the ~~low~~ low-grade railway employees. Apart from temporary beneficial measures, necessitated by emergency conditions arising from the war, such as grant of dearness allowances and provision of foodstuffs at cheap rates, a number of improvements of permanent character and value have been effected.

1-8-1943

Permanent Measures: (1) Wage Revision:- With effect from ~~1-8-1943~~ the wages of firemen, engine turners and shunters have been improved as under:

	From B.C. Rs.	To B.C. Rs.
Firemen II.	14-1-17	17-1-23
Firemen C	30	40
	(consolidated)	(consolidated)
Firemen B	18-3-30	28-2-38
Engine Turner B	40-5-50	50-5-60
Shunters II	50-5-70	60-5-75

The grades of the electrical staff, pump fitters and attendants, as well as the grades of valve ~~spax~~ operators of the Engineering Department have been revised and improved. The revision costs the Administration Rs. 11,000 per month. The ~~neigh~~ bridge staff have been increased and their cadre increased and wage rates revised at a cost of Rs. 5,225 per annum. Workshop staff in the Loco Department, held up on the top of their grades for 5 years and over, have been given an allowance of Rs. 2-2-8, equal to the difference in the pay and the minimum pay of the next higher grade. The scheme has benefited about 200 men at a cost of Rs. 5,200 per annum. Shed staff have, from August 1943, been allowed overtime payment for work done in excess of the rostered hours of duty. Overtime rates allowed to press workmen appointed prior to 1-9-1931 have also been revised and improved.

(2) Housing:- Since October 1941, 510 units have been constructed at a cost of about Rs. 450,000. All Type III quarters have now been provided with individual latrins at a cost of Rs. 36,500. Compound walls and washing places have been provided to old type quarters occupied by low-paid staff at a cost of Rs. 52,500. At a number of important stations, drainage has been improved by providing stone drains at a cost of Rs. 28,000. The construction of quarters for gangmen is continuing according to programme and, since October 1941, 280 units have been constructed at a cost of Rs. 201,510. Further construction of buildings for staff has had to be postponed owing to the difficulty of obtaining materials.

Rs.15

(3) Provident Fund:- Employees drawing less than 0.S./1 0.S. Re = 14as. approximately, per mensem and having put in at least 16 years' service had the option of subscribing to the State Guaranteed Provident Fund. The qualifying period has now been reduced to 10 years with the result that the benefits of the provident fund have been made available to a further 1,650 employees of the railway. This is estimated to cost Rs. 21,300 per annum.

Temporary Measures.- Temporary war-time measures include the payment of dearness allowance

of dearness allowance at rates varying from Rs. 9 to Rs. 14 according to areas. Distribution of food stuffs at prices lower than those in the cheap-grain shops. The Railway Administration has been spending Rs. 75,000 per month to meet the difference between the purchase and sale price of the various food-grains supplied to its employees at cheap rates. The ~~benefit~~ beneficiaries number 18,500; and sale of Standard Cloth also is arranged.

(Hyderabad Information, July, 1944).

Administration of Factories Act in Bombay
during 1943.

Number of Factories.- There was a net increase of 213 in the total number of factories, working and non-working, subject to the Factories Act, in the Bombay Province during 1943, according to the Official report on the working of the Indian Factories Act, 1934, ~~during the year~~ in the Province during ~~the~~ year. While 598 factories were added to the register, 385 were removed, and the total increased from 4,054 to 4,267. The number of working factories rose by 195, from 3,719 to 3,914, of which 1,301 were concerns connected with the cotton textile industry.

Number of Employees.- The number of operatives employed in all industries increased by 60,201, or 9.24 per cent, from 651,324 to 711,525. Nearly all factory groups showed an increase in the number of workers employed.

The reduction to the number of ~~skidax~~ children employed in industrial undertakings has been steady in recent years. In 1921 there were 15,766 children employed in all industries, of whom 13,927 were employed in cotton mills. In 1943 the total number employed was 492, of whom only 67 were employed in cotton mills.

Wages.- Comparing earnings of workers in 1938 with those in 1943, there had been a general increase of approximately 100 per cent. Ahmedabad, Bombay, Bombay Suburban, Kaira, Surat, West Khandesh and Belgaum exceeded this percentage while Broach, Thana and Dharwar fell short. The Ahmedabad mills ~~are~~ now paying workers 180 per cent more than in 1938 and, with 38 per cent fewer workers than employed in Bombay mills, had a total wage bill which was only 19 per cent less than Bombay's wage bill. In the smaller factories in the mofussil, such as ^{those engaged in} ginning, brick-making and bidi-making, the wages had in some districts increased by 40 per cent, whilst in gur (molasses) factories they had more than doubled.

The total wage bill for 1,602 factories employing 450,984 persons was Rs. 149,784,530 in 1938. In 1943, the wage bill for 2,173 factories employing 655,737 persons was Rs. 465,812,201. Thus, with 196,753 more people employed, there was Rs. 316,027,671 more in circulation.

Accidents.- The number of accidents increased from 16,190 to 19,520, and the number of persons injured from 16,345 to 19,682. The severity rate of injuries per 100 workers increased from 2.50 to 2.76.

Inspection.- Factory inspectors instituted 436 cases against 150 factories. Convictions were secured in 361 cases against 131 factories.

the amount of fines realised being Rs. 11,102.

Welfare Work.- Some progress was recorded ~~with~~ welfare work in factories, ~~in~~ ventilation and housing and in other directions, although progress was slow owing to the conditions created by the war. There were 130 creches in factories employing ~~with~~ altogether 41,864 women. The Bombay mills had 34 labour officers in 46 mills. There were 110 Co-operative Societies and 12 supply societies registered under the Co-operative Societies Act.

(Bombay Information, 5-8-1944).

Standing Orders for Large Industrial Undertakings: A.I.T.U.C.'s Criticism of Government of India's Notification.

References were made at page 2 of our report for May, 1944, and pages 2 to 3 of our report for July, 1944, to the views of the Bombay Chamber of Commerce and the Bombay Millowners' Association respectively on the Government of India's notification regarding the adoption of standing orders by large industrial undertakings. The ~~Association~~ in its memorandum addressed to the Government of India in this connection has raised the following issues:

1. Scope of the Notification to be widened.- The Government ~~of~~ has not specifically laid down the industries or establishments to which the order would be applicable. It is necessary that the order should be made applicable to all factories and industrial establishments that are governed by the Factories' Act, ~~1934~~, to those industrial concerns that are governed by the Shops and Establishments Acts in certain provinces, to public utility services and local bodies, to all mines governed by the Indian Mines Act, to plantations, as defined in section 2(iii) of the Payment of Wages Act, to which the Assam Maternity Benefit Act is applicable, —in all cases ~~irrespective~~ of the number of persons employed.
2. New Subjects to be scheduled.- Opening and closing times should be included in the schedule as a subject on which orders are to be adopted. Also, separate orders should be laid down regarding leave and holidays; ~~these~~ should not be grouped together.
3. Prevention of Victimisation for Union Work.- The standing orders should contain an item under which rules would be framed to prevent victimisation of workers for taking part in trade union work. This needs to be specially emphasized.
4. Smaller concerns to be covered.- As at present provided in the notification, only those industrial establishments employing not less than 250 workers need adopt restrictive orders. It is considered that there should be no restriction about the minimum number of employees. In fact, the smaller industrial establishments may be more in need of the provisions of the notification, ~~and~~ there is a chance of greater abuses in these, as the workers are in a weaker position to assert their rights.
5. More Compulsion on Employers.- It would be ineffective to leave the choice of subjects on which standing orders are to be issued to the

employer. He should, on the other hand, be compelled to adopt orders embracing all matters included in ~~the~~ schedule, unless any particular matter is not relevant to the work of the factory or establishment concerned.

6. Notice of Changes.- It is laid down in the order that an employer desiring to effect any change in a Standing Order shall give notice to a trade union "recognised by him". This is a vague provision. Every trade union including among its membership not less than 5 per cent of the employees should, in its own right, receive such a notice. It is not necessary to demand previous recognition by the employer.

From the workers' side, a notice of change signed by the secretary of a union should be deemed sufficient. All unions consisting of not less than 5 per cent of the workers in the concern should be considered representative for this purpose.

No penalty is provided in the notification for breach of the standing orders by employers. Employers are known who make a practice of breaches of standing orders against principles of equity and fair dealing. Hence a penalty for any such breach ~~is~~ should be provided for.

7. Permanent Legislation to be adopted.- The proposed notification, which is at present only of temporary effect, being applicable only up to the cessation of hostilities, should be given statutory status as soon as possible.

(The Trade Union Record, July, 1944).

Conditions of Work in Bihar Coal Mines:
Provincial A.I.T.U.C's Report.

The following facts regarding conditions of work in Bihar Coal Mines are drawn from a report of the Provincial Trade Union Congress on the subject published in the July 1944 issue of the Trade Union Record, Bombay.

Steady Decline in Production.- In spite of the various measures taken by the Central Government since 1943 to increase production of coal, it appears that the coal crisis is still acute this year. The output of coal, which was 28 million tons in 1940-41, the peak year of coal production in India, has been continuously falling since then. By the end of 1943, coal production in the Bihar coalfields, fell, on the average, by 40 to 50 per cent. Under altered conditions of diminished production, Government fixed 23 million tons as the target figure of production in view of the immense expansion of ^{consumption} ~~needs~~ under war-time conditions. It is doubtful whether even this diminished target-figure would be fulfilled during the coming year.

Labour Shortage.- One of the main reasons for diminished production was labour shortage, due to migration of workers during June-September, 1943, to centres of military constructions in the neighbourhood, where wages were high, and to villages for agricultural occupation. On account of inadequate and half-hearted measures taken by Government to improve the situation, it is estimated that only about 15 to 20 per cent of the

labour shortage has been made up. About 4 per cent of the regular miners have chosen to return to the coalfields, this bring the response that the Government's welfare measures have received. The withdrawal of the ban on women's employment has secured a certain amount of additional labour. In addition, ~~about~~ a certain number of workers have been imported from Gorakhpur (U.P.). It has been found from experience that a Gorakhpur labourer can do only 1/5th of the work put in by a regular miner, while the former is paid a higher wage than a regular miner. Further, there has been an acute shortage of tubs, especially in the smaller collieries. Production also suffers from lack of sufficient coal-cutting machinery and shortage of supply of wagons.

Miners' wages and other Incomes.- Compared to December 1943, when the Dhanbad Conference was held, (vide pages 58-59 of our report for December 1943), there have been some improvement in the dearness allowance and ~~additional~~ additional grain-concessions have been granted to the miners under the newly-introduced rationing scheme. The total dearness allowance paid now is 50 per cent of the basic wages (while the cost of living index figure at present is 233). The broad outlines of the new ration scheme are: (1) Basic standard ration to the miner and his family, at controlled rates, based on 4 days' work in the week; (2) Manual workers' ration, provided free for each day's attendance at the mine in excess of the basic four days; and (3) Cash payments for each day the miner attends work. The total income of a miner may be estimated to be Rs.24 per month, made up as follows:

Average wage	Rs. 9 8 0
Dearness Allowance.....	Rs. 4 12 0
Cash Benefits (maximum)	Rs. 6 4 0
Free rice ration(maximum).....	Rs. 3 8 0
Total....	<u>Rs.24 0 0</u>

Wages paid by military contractors within a radius of 60 miles of the mines vary from Rs. 30 to Rs.35 per month.

Expenditure.- Experience of the effect of the increase in wages and other amenities so far has been that they have failed to attract the old miners back to the mines as they do not adequately improve the conditions of the workers. One of the weaknesses of the scheme is that the prices of the foodgrains are still above the reach of the average miner; the full quota of the rations allowed to a miner and his family would cost about Rs.24 per month whereas his earnings in wages and dearness allowances would be only Rs. 14 to Rs.15. Moreover, the foodgrains supplied, are often found to be of very bad quality and there are frequent complaints of underweighments. It is also said that, as regards cash payments provided to him, the miner is frequently cheated of his dues; again, little has been done about the promised supply to miners of standard cloth and other consumer goods.

Thus, the miner naturally prefers the open-air work in military undertakings in the neighbourhood fetching about Rs.30 to Rs.35 per month to the risky work underground on wages not exceeding Rs. 24.

Conditions in Raniganj Coal Fields.- Mr.Ranen Sen, a member of the working committee of the A.I.T.M.C., who recently paid a visit to the Raniganj coal fields to study the conditions there, in a report on the situation states that owners and managers in the Raniganj area have put arbitrary interpretations upon the Government notification which was issued as a result of the Dhanbad Conference. New books have been prepared with incorrect entries of wages to lower the rates of dearness allowance. In some collieries it was found that workers do not get the daily attendance bonus if they do not live in the lines within the mine areas. In many collieries, only miners and trammers get the free attendance ration. There are several complaints of bad quality of ration

and under⁴weightments, ^{as a result of which} ~~so that~~ workers refuse to buy from the colliery grain-shop and buy grain from the market instead.

Welfare work in the area is very inadequate. One fact that was noticed was the absence of ^{sanitary} latrines in the lines. Medical and sanitary arrangements are bad, and 80 per cent of the workers suffer from malaria. Physical assaults on workers and heavy fines are frequent, the total amount of fines in the case of some workers being Rs. 10 per month. These malpractices and harassments have reduced the workers to dumb and sullen demoralisation. The ~~recent~~ rise in wages given since the Dhanbad agreement, has ~~been~~ hardly ~~attractive~~ incentive to work, and absenteeism and desertion still continue unabated.

(The Trade Union Record, July, 1944).

Grievances of Coal Mining Labour:
Labour Welfare Officers to take
Steps for Removal.

The Government of India has been having under consideration the question of setting up machinery for investigating cases of dismissals, suspension, etc. of colliery workers and of discriminatory payment of wages to them. The A.I.F.U.C. has now been informed that representation on these matters may be made by the trade unions concerned to the Chief Welfare Officer (Mines) and his Assistants, including the Lady Welfare Officer (Mines). A report on the action taken by them would be submitted to the Government from time to time.

(The Trade Union Record, July, 1944).

Administration of Factories Act in
Madras in 1943.

The report of the Chief Inspector of Factories on the working of the Factories Act in the Madras Presidency for 1943, shows that the number of factories at the end of the year was 2,691 as against 2,466 in 1942. The average number of workers employed daily was 262,347 as against 249,155 in the previous year.

There were 21 strikes during the year as against 15 in the previous year. Nearly all the strikes were unsuccessful. There were nine cases of fire as against 16 in 1942; the total estimated loss is reported to be Rs. 595,125 of which goods to the value of Rs. 570,875 were covered by insurance.

12

The total number of accidents reported for the year was 4,763 as against 4,155 in the previous year. Out of them, 38 cases were fatal.

The average number of women employed daily was 46,255 during the year under review as against 45,622 in 1942. There were 2,294 claims under the Maternity Benefits Act; of these 2,072 were paid during the year. The total amount of benefits was Rs. 49,661 as against Rs. 44,750 in 1942. No woman was employed in any factory during the four weeks immediately following the confinement.

The Government has asked the Chief Inspector of Factories to furnish in future reports details in regard to the amount of success obtained in the suppression of ~~dist~~evil in factories.

(The Hindu, dated 28-8-1944).

13

ECONOMIC CONDITIONS.

Economic Trends in India in 1943-44.

The following information about war-time economic conditions and trends in India in 1943-44 is taken from the annual Report of the Central Board of Directors of the Reserve Bank of India for the period 1-7-1943 to 30-6-1944.

General Economic Trends.- Following a further intensification of the country's war effort, the economic activity in India including production, employment, earnings and trade continued to increase. The position of most Indian industries continued to be favourable on the whole during the year and is reflected in general in the prices of industrial securities. An enquiry into wages in the Bombay textile industry revealed a steep rise in war-time incomes, the average earnings of adults at the end of the fourth year of the war showing an increase of more than 100 per cent. The sustained expansion in the internal business activity of the country is indicated by increases in cheque clearings, earnings of railways and wagons loaded. Cheque clearings rose by Rs. 11,420 million to Rs. 40,540 million, railway earnings by 16.7 per cent to Rs. 1,718.9 million, wagons loaded by 0.7 per cent to 6.12 million during the 11 months ended May 1944. The values of both imports and exports of merchandise on private account were above the level of the previous year.

An index to the sustained war effort is provided by the growing Governmental disbursements, both on India's own and on Allied account, which amounted to Rs. 6,930 million during the financial year 1943-44, the total outlay since the outbreak of the war being Rs. 17,650 million. With the progressive use of India as the main operational base against Japan, larger demands were made on the country's resources of man-power and materials. It became clear about the close of last year that the strain on the country's domestic economy resulting from the progressive diversion from civilian to war consumption required early relief if serious dislocation was to be averted. The need for stabilisation became more urgent with the added liabilities imposed by the establishment of the South East Asia Command in July 1943.

Food Shortage.- The shortages of foodstuffs in the country which were developing under war-time conditions, particularly after the Japanese occupation of Burma, became acute early in the year under review, and much distress equivalent to famine conditions was caused in the deficit areas of Bengal, Travancore, Cochin and Malabar. The conditions in Bengal steadily deteriorated till about December when the measures taken by the Central Government including the feeding of greater Calcutta coupled with the prompt movement of supplies with the assistance of the Army brought about a measure of relief. The steps taken by Government to implement the main recommendations of the Foodgrains Policy Committee including the statutory control of food prices, rationing in surplus as well as deficit areas, procurement through official agencies and the elimination of competitive buying and planned movement of surpluses are also having an effect in relieving the food situation in the country as a whole. Further relief measures included increased imports of foodgrains and prohibition of their export. It is recognised that the food situation is not yet secure, that India is a deficit country as regards food production, and that continued imports of foodstuffs, as recommended by the Foodgrains Policy Committee, apart from other relief measures adopted by Government, are essential for a solution of this most important of consumer problems.

14

Price Control Measures.- The main war-time problem of the country has been to reabsorb on an adequate scale the large outpouring of Governmental money including disbursements on account of the Allies. During the last 15 months the vigorous prosecution of the Government's borrowing programme assisted by various measures of physical control has resulted in arresting the upward trend of prices and restoring confidence to a great extent. These measures were further supplemented by attempts to eliminate shortages in consumer goods. Action taken in this direction covered a wide range of essential ~~stirring~~ civil supplies such as cotton textiles, foot-wear, woollen clothing, medicines, etc., so as to make available larger supplies of these goods at reasonable prices. Following the institution of the Cotton Cloth and Yarn (Control) Order of June 1943, cloth prices have been brought down on an average ~~with the co-operation of the industry~~, by about 60 per cent and larger supplies have been made available to the civil consumer. In regard to articles of common use not covered by the various ad hoc control orders, a comprehensive Hoarding and Profiteering Prevention Ordinance was issued in October 1943. Further, a representative Central Consumers' Council was constituted in June 1944 to advise Government, among other things, on the working of price control and the distribution and more economical use of commodities in short supply. As a result of these and other measures referred to in the last Report (vide pages 7 to 9 of our July 1943 report), the rising trend in wholesale prices noticed since August 1942 was arrested early in the year, though much still remains to be done to make the controls effective. The stock, share, bullion and commodity markets had on the whole a healthier outlook, the direct measures of monetary control such as restrictions on ~~ex~~ capital issues and on forward trading having a favourable effect.

Post-War Planning.- Notwithstanding their pre-occupation with the war the Government took definite action in the sphere of post-war planning. (For details, see review of First Report on the Progress of Reconstruction Planning, at pages 38-39 of our May 1944 report). With a view to co-ordinating on an all-India basis the various development plans, both Central and Provincial, the National Planning and Post-War Reconstruction Department has been created and is expected to function from ~~the~~ 1-8-1944.

Rise in Commodity Prices.- Following an all-round upward trend in the commodity price level since August 1942, and more particularly during the latter half of the last accounting year, prices reached their war-time peak about the end of June 1943. The further increase in the price level was, however, arrested early in the accounting year under review and the trend during the greater part of the year indicated a tendency towards a stabilisation at a lower ~~ex~~ level of prices operating under controls. In addition to the measures adopted for the withdrawal of surplus purchasing ~~power~~ power through increased taxation and borrowing, the various steps taken by the authorities, both Central and Provincial, for stabilisation included (1) fixation of ceiling prices, both wholesale and retail, in regard to an increasing range of consumer goods and regulation of the distribution of the most essential among them, and (2) imposition of restrictions on futures trading in certain commodities like cotton, oil seeds, copra, etc., and on speculative transactions in the share and bullion markets. As a result of these measures the various price indices showed a tendency to decline. The Calcutta index number of wholesale prices (July 1914 = 100) after reaching its peak level of 349 in September 1943 steadily declined and stood at 290 in May 1944 as against 319 in June 1943. According to the Economic Adviser's Index Numbers of Wholesale Prices (week ended 19th August 1939 = 100), primary commodities, with the exception of raw materials, showed a similar tendency. A more pronounced decline was in evidence in respect of other agricultural commodities comprising, among others, raw cotton and raw jute, the index number

15

declining from the peak of 253 in May 1943 to 198 in December and after varying within a narrow range, closing at 206. Among ~~manufacturers~~ manufactures, cotton textiles showed a decline as against increases in other articles with the result that the group index number after an initial fall remained steady round about 251 up to March 1944, but it rose to 261 in the next month and closed at 259. Chief articles of export fluctuated within narrow limits and after declining to 233 in March 1944 as against 244 in June 1943 closed higher at 346.

Industrial Share Market.- The improvement noticed in the industrial share market last year was on the whole well maintained during the present accounting year. After an initial set-back, the market experienced a minor boom until January 1944; thereafter a comparatively quiet tone prevailed. The Economic Adviser's combined index number of variable yield securities (1927-28 = 100) for the eleven months ended May 1944 averaged higher at 186.6 as against 149.3 in the corresponding period of the previous year. The combined index which stood at 174.8 in June 1943 fell to 168.8 in July and remained at 170.9 in August mainly as a result of apprehensions regarding further Governmental action. All categories except coal were affected during July, the decline in cotton textiles being the most marked. On the 11th September, Government issued Rule 94C under the Defence of India Rules, prohibiting with effect from the 24th of that month all stock exchanges in British India from permitting or affording facilities for budla transactions or for the making of any contracts other than for ready delivery contracts. The immediate effect of the rule was temporary recession but soon the market rallied, the combined index number of variable yield securities for September recovering to 176.3. The upward trend continued till January 1944, the index number for that month rising to the war-time record level of 200.1, partly as a result of Government's anti-inflationary measures and the consequent diversion of funds from other markets. From February onwards, prices fluctuated erratically, and the market on the whole presented a subdued tone, the different groups reacting diversely in accordance with the measure of Government control affecting each of them. The index number for May 1944 stood at 195.4 as compared with 174.8 at the close of the previous year.

Agricultural Credit Department Activities.- The Agricultural Credit Section continued to study the problems connected with the co-operative movement, land ~~mortgage~~ mortgage banks, marketing, agricultural credit etc. In particular, it devoted its attention to the problems of the effect of the present rise in prices on the working of co-operative societies with special reference to recoveries, the efforts made by co-operative societies to promote thrift and savings among members and non-members, and the attempts made to organise the supply and distribution of foodstuffs and other necessaries of life on co-operative lines during the present emergency. The services of the Section were again utilised by co-operative banks, Registrars of Co-operative Societies, and Governments. One Provincial co-operative bank took advantage of the facilities offered by the bank for giving loans at concession rates for financing seasonal agricultural operations or the marketing of crops. Another Provincial co-operative bank approached the Bank for financial accommodation against Government securities and a credit limit was sanctioned to it.

(Summarised from the Report of the Central Board of Directors of the Reserve Bank of India for year ~~ending~~ ended 20-6-1944).

16

Standing Finance Committee Meeting,
New Delhi 31-7-1944 and 1-8-1944.

An 'ex-gratia' subvention not exceeding Rs. 100 million in 1943-44 and 1944-45 to Bengal for expenditure on famine relief, on the loss of grain supply schemes and on rehabilitation, provision of more office and residential accommodation in New Delhi and Simla, more amenities for seamen in Indian ports and financial assistance to the United Provinces Government for subsidizing sale of foodgrains at reduced prices, were some of the main proposals approved by the Standing Finance Committee of the Government of India at a meeting held in New Delhi on 31-7-1944 and 1-8-1944, Sir C.E. Jones, Acting Finance Member to the Government of India, presiding.

Subvention to Bengal.- It was explained to the meeting that the Government of Bengal had for some time been pressing the Government of India for a substantial subvention in order to afford some measure of relief to the finances of that province which had been seriously affected by the great increase of expenditure due to the war, by a diminution of the Jute Export Duty and, above all, by the famine. It had, therefore, been decided to make an 'ex-gratia' subvention to Bengal of 50 per cent of the direct cost of the famine, that is, expenditure on famine relief on the loss on grain supply schemes and on rehabilitation, brought to account in 1943-44 and 1944-45, subject to a maximum of Rs. 100 million. The grant, the meeting was informed, was subject to the condition that Bengal would undertake to increase its revenue from provincial taxation as early and as rapidly as possible.

Accommodation of Central Government Servants in New Delhi and Simla.- Proposals were placed before the meeting, and approved by it, for providing more residential and office accommodation in New Delhi and Simla. It was proposed to provide accommodation for 150 married officers at a capital cost of Rs. 2,250,000, hostel accommodation for 200 single officers at a cost of Rs. 780,000 and tented accommodation for 100 married and 300 single officers at a cost of Rs. 600,000. The total actual expenditure on all the proposals for construction now approved is Rs. 37,631,400.

Amenities for Seamen in Indian Ports.- The meeting also approved the proposal for providing more amenities to seamen in Indian Ports. It would be necessary to create altogether five posts of special officers, with necessary staff, two of whom would be detailed to look exclusively after the interests of Indian seamen. These posts, it was explained, were likely to last throughout the period of the war and entail an expenditure of Rs. 80,000 during the current financial year and Rs. 129,000 per year during subsequent years.

Financial Aid to U.P.- The proposal relating to giving financial assistance to the United Provinces Government, it was explained to the meeting, arose from the sale of foodgrains by that Government at a loss, with a view to bringing down progressively the market prices in the province in accordance with the all-India policy of the Central Government. The Central Government's share of the total losses incurred by the United Provinces Government, as now agreed upon, was estimated at Rs. 6.7 million.

Famine Inquiry Commission.- The Committee also sanctioned the expense of Rs. 200,000 in connection with the Famine Inquiry Commission.

(The Hindustan Times, 2-8-1944).

17

Industrial Research Institute to be
Opened in Hyderabad State.

The Government of Hyderabad State has sanctioned a sum of Rs.1.5 ~~mill~~ million for the establishment of an industrial research institute in Hyderabad. The Government intends to send a large number of students both abroad and to British India for technical training *in this connection.*

(The Bombay Chronicle, 15-8-1944).

Meeting of the Governing Body of the
Council of Scientific and Industrial
Research, New Delhi, 3-8-1944 .+

A meeting of the Governing Body of the Council of Scientific and Industrial Research was held at New Delhi on 3-8-1944. The Governing Body decided to establish a silicate and glass research institute at Calcutta, and sanctioned Rs. 14,000 to meet the cost of the institute's nucleus staff for the current year.

The progress made with the plan for the establishment of the other two research institutes, the national chemical laboratory and the national metallurgical institute, was explained at the meeting. About Rs.100,000 was sanctioned for research on new schemes which include the manufacture of resistance alloys; preparation of alkali and water soluble ethyl cellulose; investigation on essential oils of the C.P. and Berar; manufacture of graphite crucibles "Ferrous"; study of conditions favouring the increase of alcohol concentrations in the fermented distillery wash from the present average of seven per cent ~~to~~ to 10 per cent or 12 per cent by volume; manufacture of aluminium titanium alloys; manufacture of procelain containers for hydrogen peroxide; ~~and~~ and pilot plant experiments on the manufacture of sodium and magnesium metals by electro chemical methods.

(The Statesman, 4-8-1944).

Central Oilseeds Committee to be Set up.

The proposal for setting up an Indian Central Oilseeds Committee on the lines of the Indian Central Cotton Committee for dealing with all aspects of improvement in the production and marketing of oilseeds, excepting coconuts for which a separate committee has been set up, was approved by the Oilseeds Committee of the Imperial Council of Agricultural Research at its meeting held at Bombay on 4-8-1944. As regards finance, the Committee endorsed the official proposals for levying a cess of half an anna per maund (1 md.= nearly 82 lbs.) on seeds crushed by power mills. On the basis of the available statistics it was estimated that the average annual production of the five oilseeds, namely, groundnuts, linseed, rapeseed, sesame and castorseed, approximated 4,000,000 tons, of which at

18

least 1,500,000 tons were crushed by power-driven mills and consequently, the proposed Oilseeds Committee would have an annual revenue of Rs.1.2 million.

(The Hindustan Times, 7-8-1944).

Encouragement of Industries: F.I.C.C.I.
Urges Government to revise Taxation Policy.+

According to a Press Communiqué of the Government of India dated 10-8-1944, a letter ~~was been~~ recently addressed to the Government by the Committee of the Federation of Indian Chambers of Commerce and Industries—urging the revision of the present taxation ~~policy~~ policy of the Government on lines similar to those recently adopted by the British Government.

Raising of Minimum level under Excess Profit Tax.— Referring to the increase in minimum levels by £ 1,000 in the United Kingdom, the Committee points out that it would benefit no less than 30,000 small businesses, 10,000 of which will pass out of charge of Excess Profits Tax. If such relief is considered essential in the United Kingdom where small business is, ~~and~~ according to the Committee, less numerous than in India, it is far more important in this country, where small industries have been struggling for want of adequate relief. The Committee is of opinion that such relief is overdue because small business has suffered on account of hardships initially imposed under the defective minimum standard under the Indian Excess Profits Tax Act.

Special Grants.— By the grant of a special initial allowance of 20 per cent on new plant and machinery and 10 per cent of the actual expenditure on factory building, the Committee points out, His Majesty's Government has accepted a new principle, namely, that a part of the capital expenditure is allowed to be deducted from profits. It is suggested that Government of India should bear this new principle in mind and incorporate the same in its taxation policy. During the last five years under the stress of war, Indian industry had to wear off its machinery to a very large extent, and, therefore, it is in more urgent need of relief on a bigger scale than industrial plant and machinery in any other country. The Committee has also stressed the necessity for relief on an extensive scale to extractive industries (particularly the coal mining, ^{industry} in which the situation is so grave in the country at present), on the lines of depreciation allowance allowed in similar industries in the United Kingdom for new expenditure in sinking shafts and providing for surface facilities.

Research Allowances.— ^{Federahn} ~~The~~ ~~it~~ has also referred to the liberal allowances proposed to be made in respect of research expenditure under the United Kingdom tax law under which capital expenditure on laboratory building, plant and machinery would be allowed for a period of five years, and in addition, all current research expenditure would be allowed as and when incurred by the trader or the industrialist. The Committee urges the Government that it should provide for full allowance for capital employed by industry for research purposes, in order to help rehabilitation and development of industries.

(The Statesman, 11-8-1944).

19

Promotion of Industries in Madras
Province: Government's New Measures..*

According to a press communiqué issued by the Government of ~~India~~ Madras on 7-8-1944, the Government has, in consultation with the Provincial Post-war Reconstruction Committee on Industries, re-examined the question of the nature and extent of the ~~the~~ financial aid, control, management and advice that should be provided by the Government for existing as well as new industries in the Province. The existing State Aid to Industries Act provides comprehensively for help by Government but it has not been availed of by the public to any considerable extent. It has, therefore, been considered necessary to state the policy which the Government proposes actively to pursue towards industries. Industries will be divided into four classes: (1) Those wholly financed, controlled and managed by Government; (2) those in which Government will take a majority of the shares but will allow private management, where necessary; (3) important industries in which Government will take a fraction of the shares and will also have representation on the directorate; and (4) private enterprises in which Government will give the necessary help, advice as well as technical and other assistance.

The classification of the industries will be made by the Provincial Post-war Reconstruction Committee on Industries. This committee will get schemes made for industries of classes (1) and (2). It will also get skeleton schemes made for class (3) and make them available to intending industrialists. Applications for assistance have to be made to the Director of Industries and Commerce who will, in the case of industries of classes (2) and (3), report to the Government after enquiry. The Government will take action in consultation with the Provincial Post-war Reconstruction Committee or its sub-committees. The Government has constituted sub-committees to deal with industries connected with the following subjects: textiles, mines, machinery and machine tools, chemicals, and agriculture.

(The Hindu, dated 8-8-1944).

All-India Index Numbers of Whole-Sale Prices
of Food Articles: New Series published by
Government of India..*

The Office of the Economic Adviser to the Government of India has been publishing index numbers of wholesale prices for various groups of articles since the out-break of the war. Among these is included the food group, the index for which is worked out as the simple geometric average of the price changes of a few selected articles of food including tobacco. In normal times such an index could be depended upon to reflect the course of food prices faithfully enough; but, with the large dispersion which had recently set in, the movements of individual food articles, a simple average which excluded the millets and pulses, gur and salt, and included articles like groundnuts, copra and tobacco could not be expected to retain its representative character. In view of the immediate need for a more reliable indicator of food price movements, the Office has now initiated a new index including all the important articles of food that enter into the trade of the country. The base period for the index is the last week of August 1939. (For further details on the compilation of the index numbers, vide pages 53 to 56 of the August 1944 issue of the Indian Labour Gazette.)

Aug 1944, issue of the Indian Labour Gazette.

All India Scheme to Protect Industrial Rights drawn up by U.P. Chamber of Commerce.

A comprehensive scheme to protect industrial rights—patents, designs and trade marks—throughout India has been submitted to the Government of India by the U.P. Chamber of Commerce. About Indian States, the Chamber claims that its scheme will remove present disadvantages without disturbing the constitutional position of British India and the States; ~~it~~ suggests the setting up of a Central liaison office under the Chamber of Princes for the purpose.

(The Statesman, dated 11-8-1944).

The Papanasam Hydro-thermal Project Opened.

The Papanasam Hydro-thermal electric system was formally opened by the Governor of Madras on 21-8-1944.

This development forms the third hydro-electric project of the southern portion of the Madras grid which now covers all districts south of Madras with the exception of the West Coast, and is planned to ultimately serve the whole Province. The scheme is intended to supply electric ~~energy~~ power to Tinnevely, Ramnad and Madura districts and to the Travancore State. The regulated flow of the river Thambraparni, ~~on~~ which the dams and reservoir have been built, will also considerably benefit the existing irrigation in the valley, and the reservoir will also act as a flood moderator and will either prevent or reduce the disastrous damage that occurs periodically in the region. The reservoir will hold about 5,500 million cubic feet of water and about 1,000 million cubic feet of this can be beneficially utilised for agricultural needs. The scheme will ~~yield~~ yield about 5,700 Killo watts of electric power shortly and is expected to produce about 20,600 Killowatts in the tenth year. The cost of the whole project is estimated at Rs. 17.9 million.

(The Hindu, dated 24-8-1944).

21

SOCIAL INSURANCE.

Working of the Workmens' Compensation Act and
the Payment of Wages Act in Bombay during 1943..+

Number of Accidents.- According to the annual report on the working of the Workmens' Compensation Act in Bombay Province during 1943, the number of cases under the Act disposed of during the year was 1,410. The year opened with 272 cases pending, and 1,617 cases were received during the year, at the end of ~~the~~ which 379 were pending. Of the 1,410 cases disposed of, 312 related to fatal accidents, 1,008 to accidents which resulted in permanent disablement, 52 to those which resulted in temporary disablement and 38 ~~to~~ miscellaneous causes.

The number of cases disposed of by the Commissioners of Workmens' Compensation was 588, of which 203 were cases of award. Of these, 203 cases, 173 were contested, and compensation was awarded in 156. Of the 347 cases of deposits disposed of, 236 were in respect of fatal and 111 in respect of non-fatal accidents. At the beginning of the year, 52 reports of fatal accidents were under investigation, and 248 reports were received during the year, at the end of which 94 were still under investigation.

Amounts of Compensation.- The total amount of compensation awarded in contested cases, and voluntarily paid under agreements registered with the Commissioners, was Rs. 626,285. This sum excludes compensation paid directly by employers to injured workmen.

The number of applications for registration of agreements disposed of was 822, of which 801 were in respect of compensation for permanent disablement, and 20 for temporary disablement. The total compensation paid in respect of the 818 agreements registered was Rs. 211,882, against Rs. 171,352 in the previous year, when 786 agreements were registered.

The number of persons in respect of whom compensation was awarded was 446, of whom three were minors and 31 were women. In 227 cases the injuries were fatal and in 193 they resulted in permanent disablement. The wage group chiefly represented was Rs. 35, followed by Rs. 30, Rs. 40 and Rs. 45. The number of workmen receiving compensation at the rate of Rs. 60 or above was 92, against 64 in the previous year.

Cases under Payment of Wages Act.- The number of applications under the Payment of Wages Act for disposal was 97. 85 were decided, of which 50 were allowed either wholly or in part, 32 were dismissed and three were allowed to be withdrawn. The total amount claimed was Rs. 10,975 of which Rs. 3,468 was allowed.

(Bombay Information, 29-7-1944).

AGRICULTURE.

Agricultural Research in Mysore State.+

The Board of Agriculture of the Mysore Economic Conference has, it is understood, decided to recommend to Government that an Agricultural Fund should be started with an initial instalment of about Rs.2 million to be utilised for agricultural research. The Director of Agriculture in Mysore is understood to have been requested to send proposals to the ~~Committee~~ ^{Board} as to the nature of subjects in which research work should be conducted so as to enable the formation of a Research Committee for Agriculture. It is also understood that recommendations have been made by the Committee to the Government for the sanctioning of staff to take up the manufacture of compost ~~from~~ manure on an intensive scale throughout the State. The target of the scheme will be about 100,000 tons during the year.

(The Hindu, 16-8-1944).

Agricultural Research Schemes for U.P.+

The U.P. Agricultural Research Committee which held its 21st session at Lucknow on 18-8-1944 under the chairmanship of Mr. C. Maya Das, Director of Agriculture, U.P. Government, has recommended to the Imperial Council of Agricultural Research that the following research schemes should be given financial help: (a) A three-year scheme to control insect pest attacking fruits and fruit trees grown in the plains of the U.P.; (b) A three-year ~~plan~~ scheme of supplementary research and extension work in dairy technology at the Allahabad Agricultural Institute; and (c) a two-year experimental scheme of feeding village cattle on balanced diet with a view to demonstrating to villagers the value of such feeding in improving the yield of milk.

(The Statesman, 19-8-1944).

Number of Dairy Farms to be opened in
Bengal.

In order to stimulate milk production in Bengal, the provincial Ministry of Agriculture has under contemplation a scheme for starting a number of dairy farms at some of the district headquarters on a commercial basis. The scheme is experimental, and is intended to demonstrate that dairies can be run commercially at a profit. The Bengal Government has been negotiating with the Government of New Zealand for obtaining the services of two experts from that country, one on dairy and the other on breeding. The New Zealand Government, it is learnt, has agreed to lend the services of two experts for the purpose.

(Amrita Bazar Patrika, 15-8-1944).

NAVIGATION.

R.I.N. Training Centre opened in Poona.

The Centre for training mechanics for the Royal Indian Navy is being shifted to Poona from Bombay. The establishment will accommodate more than 700 trainees for the Engineering Branch of the Royal Indian Navy. Recruits passing through it will receive a thorough practical as well as theoretical training in marine or electrical engineering before being sent to sea as qualified engine room or electrical artificers. Courses will be held for stokers and shipwrights *also*.

The need for these expanded facilities is evident from the fact that the number of ratings under ~~the~~ training has been increasing in recent months at four times the average pace of the first four years of war. Youths of 18 or more, after six months' preliminary training at the Civil-naval Centre, Pilani (Jaipur State) will spend a year at "Shivaji", the new Centre, before being sent to sea. Boys of between 14 and 17 1/2 may ~~be~~ become Artificer Apprentices who go to sea after four years in "Shivaji".

(The Times of India, 4-8-1944).

CO-OPERATION AND COTTAGE INDUSTRIES.

Rationing and Cooperative Societies. +

That co-operative societies can play an important part in food administration is borne out by an interesting experiment reported from Hyderabad (Sind) which is now a rationed town. A co-operative society of growers, traders and consumers in the district has been formed with a share capital of rupees ~~500,000~~ ^{500,000}. To this society is entrusted the work of procurement and distribution of foodgrains in the rationed area. The issue of cards, permits, etc., to consumers is done by the Collector, but the procurement of grains, storage and its distribution to various retailers is done entirely by the co-operative society.

(Indian Information, 15-8-1944).

12,000 Agricultural Cooperative Credit Societies
to be Opened in Bengal.+

It is understood that a scheme is under consideration of the Government of Bengal for the expansion of co-operatives in rural areas on a considerable scale. 12,000 societies providing agricultural credit throughout the province are envisaged under the scheme. Their opening is estimated to involve an expense of Rs. 450,000.

These societies are intended to cover several aspects of the economic and social life of the people. They would not ~~not~~ only advance money for the purpose of storing up or selling surplus produce of their members, but will also take up questions of rural reconstruction and rural sanitation. The scheme also provides for the lending of seeds and manure and advancing of ~~not~~ short and long term loans to agriculturists. Unlimited liabilities of members of co-operative societies will be replaced by limited liability.

Under the scheme, the Government will advance money to co-operative societies at the beginning, but after 18 months' work the societies are expected to be self-supporting and in need of no financial help from the Government except for supervisory work.

(The Vanguard, 6-8-1944).

Industrial Co-operatives to be opened
in Bombay.+

It is understood that a comprehensive scheme for the mobilisation of India's resources by the establishment of industrial co-operatives on the Chinese model is being worked out by a group of public workers in Bombay, including Mr. V.L. Mehta, Mr. L.N. Renu, Mr. Maurice Frydman and Mr. L. Gopala Rao. For this purpose an Industrial Co-operative Association, it is learnt, has been formed with a view to establishing India's small industries on a co-operative basis. Among the main objects of the Association is to see that workers are safeguarded from the financier, the promoter, the manager and the middleman. ~~Shareholders~~ Shareholders must work in the co-operative and no one can be a shareholder by merely paying the money value of the share. At present, the activities of the Association are limited to the Province of Bombay. Co-operatives of hand-made paper manufacturers and leather workers are being organised.

Although the establishment of industrial co-operatives has not ~~been~~ become a ~~war~~ wartime exigency in India, as in China, there are certain powerful economic aspects, which seem to be specially suited to Indian conditions. It is claimed that the ratio of the outturn to the capital investment of these co-operatives exceeds eight times the average ratio generally obtained in large-scale industries.

(The Times of India, 15-8-1944).

Banks and Thrift Societies to be Organised
in Baroda to Encourage Workers to save.+

In a resolution recently adopted by the Government of Baroda, sanction has been given ~~to~~ organising more banks and thrift societies at various industrial centres in the State, with a view to encouraging savings among workers from the extra remunerations they are receiving at present.

The object, ~~therefore~~ is to see that at least half the additional emoluments are saved by every labourer. It is be explained to labour that this is not a scheme promoted by mill owners but that the Government has organised it for their welfare and that Government accepts responsibility for the monies deposited and the interest due. Employers are to assist in the scheme by collecting the subscriptions on pay days and remitting them to the officer concerned.

A similar scheme is drawn up for rural population of the State also.

(Indian Labour Gazette, August, 1944).

Living Conditions

27

Housing.

New Industrial Suburbs near Bangalore City.

The Mysore State Government is having under consideration the creation of a new industrial suburb near Bangalore City. This is intended to relieve congestion in the city by the shifting of factories and to provide better working conditions for factory labourers in well-planned factory buildings. Government has already ~~has~~ taken in hand the construction of the new railway sidings necessary for this purpose.

(The Times of India, 12-8-1944).

Employer's Organisations.

Annual Meeting of the United Planters' Association
of South India: Coonoor, 9 and 10-8-1944.

The annual general meeting of the United Planters' Association of South India was held at Coonoor (Madras Province) on 9 and 10-8-1944.

Presidential Address.- Mr. Pryde, in the course of his presidential address, dealt with the conditions of production of tea, coffee and rubber and said that tea was making a definite contribution to the war effort. He observed that there had been a further reduction this year in the tea exportable allowance to 95 per cent of India's standard exports. In regard to coffee, he said that direct local sales of coffee from the producers had now ~~not~~ ceased, and that all deliveries went to the Coffee Board, which now had 100 per cent control. Referring to rubber, he said that the Rubber Production Board continued to deal with the whole output, which was purchased by the Government of India, and increased prices had now been fixed.

Dealing with the question of labour, Mr. Pryde referred to the enquiries by the Labour Investigation Committee, and the Industrial Health Survey and Development Committee, under Mr. P.N. Saprú, suggested that further consideration should be given to the position of agricultural labour, such as those which existed in the plantations, before ~~anything was~~ set down on hard and fast lines. He added that the supply of labour for planting districts was a matter of some concern.

Mr. Pryde added that if planters were to maintain a high level of production they must review the whole range of their production methods in the search for the ~~highest~~ highest efficiency. He therefore urged the need for unification of the research ~~for~~ plantation products—tea, coffee, rubber and cardamom. This might take the form of a central organisation for South India, from where directive work could be carried out. It would also be the means of collecting, correlating and issuing information. He also emphasised the need for a detailed survey of plantation crops.

Sir F.E. James's Address.- Sir F.E. James in his address stated that although rubber production in the first half of 1944 was 1,000 tons in ~~the~~ excess of the production during the corresponding period in 1943, deliveries during the same period were considerably less, with the result that producers could not get their bonus. The dealers held up deliveries due to speculation. He warned the dealers that the Government of India was considering the rubber situation in terms of the maximum stocks of rubber which may be permitted to be held by a dealer and of requisitioning stocks.

Sir Frederick said that with the approaching end of the war, the continuance of coffee control and the future functions of the Coffee Market Expansion Board should be considered, because there was bound to be a swing of public opinion against the continuance of Government control ^{in the post-war period}. He suggested an amendment of the India Coffee Market Expansion Act to suit the changing conditions, and the continuance of the co-operative marketing scheme.

(The Hindu, dated 10-8-1944 and
The Times of India, dated 12-8-1944).

29

Workers' Organisations.

Progress of Trade Unions in C.P. and Berar in
1942-1943.

According to the annual review on the working of the Trade Unions Act in C.P. and Berar for the year 1942-43, at the close of the previous year there were on the Register 60 unions whose objects were confined to the Province. Of these, the certificates of 11 unions were cancelled during the year under review and in respect of 6 other unions the question of cancellation of certificates was under consideration for not submitting the prescribed returns. There was one federation on the Register but its certificate was cancelled during the year.

The objects of one registered union extended beyond the Province.

The Total membership of unions whose objects did not extend beyond the province increased from 25,118 to 29,430. The figures related to 35 unions only in respect of which particulars were available. There was appreciable decrease in membership under 'textiles' group and considerable increase under 'miscellaneous' group. In the case of the union whose objects extended beyond the Province, the membership decreased slightly from 16,896 to 16,485.

Ten unions spent more than their income during the year. One union had a debit balance both at the beginning and the close of the year. No union maintained a political fund.

(Indian Labour Gazette, August 1944).

30

PUBLIC HEALTH.

Leprosy Control in C.P.: Inquiry Committee's
Report.

A committee appointed by the C.P. Government under the chairmanship of Dr. R.L. Tuli, Director of Public Health, to investigate the problem of leprosy in the province, has found that the province has roughly a population of 75,000 lepers as against only 12,500 mentioned in the Government of India's 1931 census report. The Committee has found that the incidence of leprosy is higher amongst the so-called low castes. Poorer economic conditions, leading to greater insanitary and unhygienic conditions of living and the poorer state of nutrition are, according to the Committee, probably playing a part in this.

The Committee suggests a large number of measures to control and check the disease under the headings of isolation of patients, the opening of special leprosy clinics, training of special medical staff, an invitation to the Government of India to locate in the C.P. the Leprosy Institute of India suggested by the Central Advisory Board of Health, and co-ordination between Government and voluntary organisations.

(The Hindu, dated 12-8-1944).

SOCIAL POLICY IN WAR TIME.

Wages.

Workers' Bonus not to be related to Industry's Profits: Views of Committee of Bombay Chamber of Commerce.

Trade disputes regarding workers' bonuses had on many occasions been referred for adjudication under Rule 81-A of the Defence of India Rules by the Government of Bombay. The Committee of the Bombay Chamber of Commerce, in a letter addressed to the Government early in June, 1944, points out that in such adjudication proceedings the adjudicators frequently based their findings on the profits earned by the industry concerned, thereby creating a precedent for the establishment of a relation between bonus and profits.

Protesting against this, the Committee states that the adjudicator should confine himself to the considerations whether the nature of the services rendered by labour warranted the payment of a bonus and whether the balance sheet of the company indicated that there were financial resources sufficient to meet a bonus award. In going beyond these to lay down a relation between bonus and profits, the Committee says, the adjudicator is the fact that the existing abnormal business conditions have necessitated the investment of large amounts of additional capital at a time when the risks attendant on business are increased many-fold due to the war. Furthermore, the question of profits as such are fully dealt with by income tax and excess profits tax legislation.

The Committee fears that if the principle were accepted, labour unions not only in Bombay, but elsewhere too might seize upon this precedent to make repeated demands for bonuses or some other form of profit-sharing. Further, similar claims are likely to be raised by the clerical staff also. It was also emphasised that bonus being a gratuitous payment, need bear no relation to profits.

(Excerpts from the Proceedings of the Committee of the Bombay Chamber of Commerce during June, 1944).

Ceiling Rates of Wages to be fixed by Sind Provincial Labour Supply Committee.

To check the growth of a black market in labour wages, the Sind Provincial Labour Supply Committee—an official body formed to regulate the supply of labour—decided on 17-8-1944 to fix ceiling wages for labourers. The Committee consists of representatives of labour, the Central and Provincial P.W.D., the military, the N.W. Railway and the Karachi Port Trust. Complaints have recently been ~~received~~ received that certain civil employers have been offering higher wages for work not connected with the war effort. This, it was believed, would hamper the war effort and hence the decision to fix ceiling rates.

(The Times of India, 21-8-1944).

32

Railwaymen's Demand for Higher Wages.

Mr. Jammadas Mehta, President, All India Railwaymen's Federation, issued a statement on 21-8-1944, on the need for ~~an~~ increasing the wages of railway workers in India. He pointed out that the continuously ~~growing~~ rise in the cost of living during ~~the~~ last five years of the war, unaccompanied by any equivalent rise either in wages or war allowance, has brought down the already low standard of living of workers to an extremely low level, and the 800,000 railway workers with children and other dependants are now undergoing ~~xxxxxxx~~ severe hardships.

Unions representing 200,000 workers are ~~is~~ shortly meeting in Calcutta to demand a substantial rise in the basic wages. Similar ^{meetings} ~~movement~~ are afoot in other parts ~~is~~ of the country. Strikes on the wage issue are also growing. Mr. Mehta urges the Railway authorities to raise wage rates to avoid industrial disputes and hardship to workers.

(The Hindustan Times, 22-8-1944).

33

Employment.

Inclusion of Ex-trainees from Technical Training Scheme in Bevin Training Scheme .+

Under the existing arrangements, only workmen who have had at least three years' engineering experience in workshops are selected for training in the United Kingdom under the Bevin Training Scheme. Persons trained under the Technical Training Scheme have hitherto not been able to take advantage of the facilities for higher training afforded by the Bevin Training Scheme, even though they may be quite suitable, because of the condition of three years' practical experience in engineering workshops, which is an essential condition for selection. This condition will now be relaxed in respect of men trained under the Technical Training Scheme. In each future batch of Bevin trainees, 15 ex-trainees from the Technical Training Scheme will be included provided they have passed the prescribed trade test with credit and have acquired at least one year's practical workshop experience in a factory engaged on work connected with the war. In all other respects these candidates will have to satisfy the usual conditions prescribed for selection. Of the 15 ex-trainees, 10 will be from ordnance factories and 5 from civil industry. The employers may recommend the names of suitable candidates to the Chairman of the National Service Labour Tribunal concerned, who will interview them and make a final selection. The employers may also indicate the trade in which their nominees are to be trained and their wishes will be carried out as far as possible. After the completion of their training the men will ordinarily be returned to their previous employers on the condition that they will fix the wages of the trained men on the basis of their market value to be assessed in consultation with the Tribunal concerned.

(Indian Labour Gazette, August, 1944).

Grant of Free Travel Facilities to Technical Personnel in National Services .+

A scheme has been introduced in order to enable technical personnel directed under the National Service (Technical Personnel) Ordinance to take up employment in the national service at distant places, to visit their homes once a year at Government cost. Government will, in these cases, bear the cost of the actual railway fare and/or charges for road journey from the place of work of the person to his home and back. Technical personnel who (1) are in receipt of pay not exceeding Rs.200 per mensem, (2) have not taken their families to the place of work, (3) have completed 12 months' national service, and (4) are working at a distance of more than 100 miles from their homes, will be eligible.

The National Service Labour Tribunal may require an employer to grant eligible technical personnel taken hereafter into the national service, sufficient leave with pay to cover seven days' stay at home in addition to the days spent on journey. Men already in the national service will enjoy the concession during such leave as is admissible to them under their existing terms of employment.

(Indian Labour Gazette, August, 1944).

Over 1,000 Workers placed in Employment
by Employment Exchanges.

It is understood that over 1,000 workmen have been placed in employment through the Employment Exchanges set up early this year in Bombay, Calcutta, Cawnpore and Madras (vide page 32 of our report for February, 1944).

The total numbers of workmen registered and placed up to the end of June 1944 by the Exchange at Bombay were 1,981 and 819 respectively. Having started work in January, 1944, it had on its register 532 workmen at the end of February. Out of this number, 79 workmen were placed. Since then the number of workmen coming to it has been steadily increasing. Thus, in April 234 workmen were registered and 63 placed, in May 566 workmen were registered and 377 placed and in June 441 ~~work~~ were registered and 254 placed. Up to the end of June, 706 workmen had registered themselves at the Cawnpore Exchange and employment was found for 79. The number of workmen registered at the Madras Exchange increased from 75 in January, 1944, to 474 by the end of June. Of this, 78 workmen were placed in employment. The number of workmen registered at the Exchange in Delhi is 167.

There are indications that the services of the Employment Exchanges are being used by more and more employers and ^{that} a steadily increasing number of orders for workmen is being placed on them. In February, 1944, the four Exchanges at Bombay, Calcutta, Cawnpore and Madras were ordered to recruit only 122 workmen. But in June, 1944, this number had increased to 1,036.

(The Hindustan Times, 17-8-1944).

Labour ~~Depot~~ Depot to be Opened
Near Calcutta.

The Government of India is understood to have suggested to the Bengal Government to open a labour depot near Calcutta to make labour easily available to the essential undertakings of the province. The depot would have 5,000 labourers to start with.

(The Hindustan Times, 20-8-1944).

35

Meeting of the Technical Training Advisory
Committee, Calcutta, 24 to 26-8-1944.

A meeting of the Standing Advisory Committee on Technical Training, recently set up by the Government of India (vide page 26 of our report for June, 1944), was held at Calcutta from 24 to 26-8-1944, Mr. S. Iall, Joint Secretary, Labour Department, Government of India, presiding.

Labour Member's Address.- Addressing the meeting, Dr. B.R. Ambedkar, Labour Member, Government of India, stressed the importance of trained technical personnel for Indian industry and explained Indian industry's responsibility in absorbing the skilled personnel turned out under the Government of India's training scheme. He said it was only by tripartite co-operation between the Government, employers and workers that a technical training scheme on sound lines could be developed. He made a special appeal to employers and industrialists for their future co-operation in making the scheme a success. He pointed out that after the war ex-soldiers, if left unemployed, would constitute a powerful centre of discontent in industry. Suitably accommodated in civil life after the war, they would help to give stability to industry and would bring to civil industry the sense of discipline which they had acquired in the Army.

Progress of Technical Training Scheme.- Dr. Ambedkar explained that the Government Scheme was started 5 $\frac{1}{2}$ years ago with a target of training about 3,000 men at a time to meet the needs of the Army, but within two years this figure was raised to 48,000 which required the setting up of 394 training centres. By the end of 1942, 54,000 trained personnel had been supplied to the Army. By June 1944 the centres had turned out 75,000 trainees of whom 63,000 joined the technical branches of the defence services and 3,000 went to ordnance factories. Dismissing as untrue the report that the Government had decided to liquidate the Technical Training Scheme, Dr. Ambedkar said it was true that Government had closed some of the training centres. Now there are 170 training centres with a capacity to train about 32,000 trainees, in place of 400 training centres with a capacity to train 45,000 trainees in 1942. This was due to various causes, foremost being two. One was the decreased intake of the Army and the other was the heavy cost of maintaining small centres. These steps showed that what Government had done was to make the ~~most~~ necessary adjustments called for by the exigencies of the situation. They did not indicate any intention to liquidate the scheme.

Absorption in Civil Industries.- He said that Government was fully aware of the need for trained technicians in the future industrial development of the country and was, therefore, anxious to see the technical training scheme not only maintained but extended all over the country and become a permanent part of the country's educational system.

The fate of the training scheme, he declared, depended on the readiness of Indian industry to employ the products of that scheme. Out of the 6,000 surplus trainees, civil industry had only taken 3,000. They preferred to employ untrained workmen in the expectation that they would acquire the necessary skill and training in the course of employment or as apprentices. This reluctance to employ the trainees from the technical training centres, was due to various reasons. Civil industry insisted on its technical personnel possessing a higher degree of skill than could be provided by the scheme, which had aimed at compressing into an eight-months' intensive course the training which before the war would have taken five years. Dr. Ambedkar, however, pointed out that the experience gained by war-time technical training in other countries, had shown that with intensive training semiskilled men could be quickly

trained for most industries and expressed the hope that if the training imparted under the technical training scheme ~~would~~ were supplemented by further biased training, the final product should be acceptable to civil industry.

Dr. Ambedkar raised two questions for consideration by the meeting. First, to find employment for trainees who will be discharged from the Army after the war and for trainees who are completing the prescribed courses of training. Secondly, to revise the scheme for technical training as part of the post-war plan of industrial reconstruction.

Committee's Recommendations: Course to be extended to three years.- The Committee discussed a scheme of ~~three years'~~ three years' course in technical training, divided into 18 months' training at the training centre, and further 18 months' training in production work ~~at the~~ factory. It was felt that this scheme would impart both the skill and practical factory experience required for making the trainees acceptable to civil industry.

Training to be linked to School Education.- The Committee recommended that ~~certain~~ training centres should be set apart for ~~the~~ training men for civil industry. In these centres, the age limit may be lowered in order to attract the right type of boys of the 14-15 age group, and to avoid the undesirable gap between the normal cessation of school education and the beginning of technical training.

Need for Higher Educational Standard.- It was felt necessary to improve the general educational standard of trainees and for this purpose it was proposed to insist on a minimum educational standard as a necessary condition of admission to the course. With the opening of separate centres for civil industry, the Committee thought it would be possible to get trainees with better educational standard. It was stated that at present 12 to 16 per cent of training time was devoted to general education. The new scheme provides that general education for two hours a day should be continued throughout the training period of 18 months at the training centre.

Co-ordination of Apprentice Training Schemes.- The question of co-ordinating the apprentice training ~~and~~ system in various factories with the Technical Training Scheme was also discussed. In the opinion of the Committee, this could be done if nominees of specific industrial units were accepted as trainees in Labour Department training centres established especially for civil industry.

Questionnaire on Civil Industry's Requirements.- The Committee also considered the existing needs for tradesmen in civil industry and it was agreed that a questionnaire should be circulated to the engineering associations, Government Industries and Chairmen of the National Service Labour Tribunals in order to estimate the requirements of technical personnel in civil industry.

The possibility of using employment exchanges as media for engaging men trained ~~under~~ under the scheme and the terms of employment of the trainees in civil industry were also considered.

(The Statesman, dated 25-8-1944 and Amrita Bazar Patrika, 28-8-1944).

37

Government Contemplates appointing Technical
Education Commission.+

According to the National Call dated 29-8-1944, as a preliminary to post-war industrial planning, the Government of India is contemplating the appointment of a commission to examine and recommend the quickest means of expanding technical educational facilities in India. This commission will suggest ways to ensure a steady flow of technicians in all branches of engineering, and is also expected to examine the question of training of technicians abroad.

(The National Call, 29-8-1944). ✓

Compensation for War Injuries.

Special Officers to be Appointed under War
Injuries Compensation Insurance Scheme.+

Special officers will shortly be appointed by the Central Government for the purposes of the War Injuries Compensation Insurance Scheme. (Vide page 49 of our report for December, 1943). The duty of these officers will be to ascertain whether the requirements of the War Injuries (Compensation Insurance) Act, 1943, have been complied with. They will also see that those who are required to insure have actually insured and that there is no understatement in regard to the men employed and the wages paid in the application forms submitted by employers.

(The Statesman, 20-8-1944).

War Finance.

Compulsory Savings Scheme in Hyderabad State:
New Anti-Inflationary Measure.+

As an anti-inflationary measure, the Government of Hyderabad State has introduced a new compulsory savings scheme affecting individuals, companies and Hindu undivided families with incomes over Rs. 6,000 a year and not subject to excess profits tax. Deposits will be called for throughout the period of the war and one year after there after, with effect from the current Fasli year. The deposits are returnable after five years, or one year after the war, whichever is earlier. Government hopes to raise a sum of Rs. 7.5 million a year by this scheme.

(The Statesman, 15-8-1944).

38

Price Control.

1st Meeting of Central Consumers' Council,
New Delhi, 17 and 18-7-1944: Details of
Decisions.

A brief reference was made at page 39 of our July 1944 report to the first meeting of the newly set up Central Consumers' Council at New Delhi on 17 and 18-7-1944. Details of the proceedings are now available and are summarised below. Discussion at the meeting centred round the working of the several industrial controls (relating to civil supplies) now under operation, such as cotton textile control, drugs control, footwear control, iron and steel control, and newsprint and paper control, and suggestions were offered for their improved working. The Hoarding and Profiteering Prevention Ordinance also came in for a detailed review.

Opening speech of Sir Azizul Haque.— Sir Azizul Haque, in his opening speech, reviewed the consumer goods position, as it was in the middle of last year, just on the eve of the inauguration of comprehensive control measures, and stated that it was extraordinarily difficult. Many of the essential commodities were in short supply; there was large-scale hoarding, profiteering and black market activities and prices were unconscionably high. Immediate steps had to be taken to ration the goods, fix reasonable prices, increase supplies by stimulating local production and arranging for more imports and devise a proper method of distribution. After referring to the success of the Cloth Control Scheme, Sir Azizul Haque appealed for public co-operation to make the control measures a success. Without active public co-operation, he said, ~~any~~ even the soundest control measure was bound to fail. It was to secure such co-operation that the Central Consumers' Council had been started.

Discussions.— Discussion started with an examination of the control measures in general and suggestions were made for their better working. Better publicity through advertisements for the prices fixed, more publicity for convictions against hoarders, profiteers and violators of the control measures and improved machinery for making price control measures more effective, were among the suggestions made. It was pointed out on behalf of the Department that there was a machinery to ascertain what was surplus to the needs of the War Services. This surplus capacity was utilised to increase civil supplies. A considerable number of such releases had taken place.

The several control measures were then taken up for individual consideration. A memorandum had been circulated among the members giving a factual review of the measures in operation and the action taken by the Department to improve supplies and distribution and to control prices of consumers' goods.

Resolutions.— The following resolutions were passed by the Council:

1. That measures be introduced by Government to economise in the amount of paper used on their account in all Departments.
2. That the staff for the enforcement of all Control Orders should be considerably increased.
3. That punishments for offences against Control Orders should be adequate. Wherever possible imprisonment, and not fine, should be the punishment for profiteering.
4. That Government should ~~not~~ give much wider publicity to controlled prices and other information which would be of use to the consumer. Publicity should also be ~~the~~ given to severe convictions awarded to profiteers.

5. That Government should take all possible steps to facilitate the lodging of ~~unjustified~~ complaints about offences against Control orders.
6. That in order to increase the supply of Consumer goods the ~~subsidy~~ policy of giving every possible assistance to existing industries in the country should be vigorously pursued and that wherever possible, the establishment of new industries should be encouraged.

(Indian Information, dated 15-8-1944).

Production.

The Coal Production Fund Ordinance, 1944,
(Ordinance No. XXXIX of 1944).+

An ordinance called the Coal Production Fund Ordinance, 1944, was ~~issued~~ issued by the Government of India on 26-8-1944 to ~~impose~~ the levy of cess on coal produced in British India or imported from abroad or the Indian States. The proceeds of the cess will constitute the coal production fund to finance activities for the improvement of the production, marketing and distribution of coal.

A Government Press Note on the Ordinance states that the Government has recently undertaken various measures, involving large expenditure, to help solve the coal problem. Firstly, there are not enough regular coal-miners for a large increase in production, and it has therefore been necessary to import labour in organised gangs from other areas. This ~~Indian~~ labour is naturally not skilled in mining. It has to be housed and it is therefore more expensive per ton of coal produced than regular mining labour. Also, in order to encourage the colliery owners to increase production, a bonus is being paid to them, free of excess profits tax, on all production above a target figure based on their ~~past~~ past performance. To meet this expenditure, and any other ~~with~~ which it may be necessary to incur in order to increase production and improve the distribution of coal, the Government has decided to levy a cess not exceeding Rs. 1-4, per ton (the actual amount will depend upon the sum actually required) on every ton of coal despatched. Powers have also been taken to levy a corresponding customs duty on coal imported from foreign countries or Indian States.

(The Gazette of India Extraordinary, dated 26-8-1944, pages 1275-1277 and the Times of India, 28-8-1944).

Information on Indian Industries not to be sent
Out: Government of India's Notice to Chambers of
Commerce. +

The Government of India has, it is understood, circulated to the Chambers of Commerce that any information asked of their member-firms from Allied or neutral countries regarding industries, recently established in India, as also places for establishing new plants and industries, should not be sent without the consent of the Government of India.

(The Hindustan Times, 15-8-1944).

40

Control Measures.

Paper Control Position: Bombay Conference
of Government of India and Interests.

A meeting was held at Bombay on 11 and 12-7-1944 ~~at Bombay~~, attended by representatives of paper interests in India and of the Government of India to discuss the paper control position in the country; the meeting was addressed on the opening day by Sir Akbar Hydari, Secretary, Industries and Civil Supplies Department, Government of India, who explained the present paper position and the measures taken.

Sir Akbar Hydari's Speech.- At the outset, Sir Akbar made it clear that discussions at the meeting must be based on the acceptance of the main features of the Paper Control Order, 1944 (vide page 29 of our June 1944 report), which is that there must be a cut of 70 per cent in consumption, taking paper consumption as a whole. Giving figures of production and imports, Sir Akbar said that the production of paper in India during the three years 1936-37 to 1938-39 averaged 54,000 tons. After the outbreak of the war, and thanks to Government assistance and encouragement and the rationalisation of the varieties of paper manufactured, the annual production was doubled till it amounted to over 100,000 tons per annum. Owing to the shortage of coal, production has dropped and for the current year, 1944-45, one cannot expect more than 70,000 tons from indigenous production. While all the industries have had to bear a cut, to meet the coal shortage, paper is one of the few industries which Government regards of such importance that the cut imposed on it is ~~not~~ much less than on most others. As far as imports are concerned, for the three years 1936-37 to 1938-39 the average annual imports of paper into India amounted to 75,500 tons. The estimated import through trade channels for 1944-45 is 9,000 tons. The actual figure for 1943-44 was 8,800 tons. The British Government has given India a quarterly quota which for July-October 1943 was 440 tons, for November 1943-February 1944 was 400 tons and March-June 1944 was 500 tons. The present position for 1944-45 is that, with imports by the trade of 9,000 tons and a production of 70,000 tons, the available supplies of paper in sight are of the order of 79,000 tons. The 70 per cent of Indian production reserved for Government requirements amounts to 49,000 tons, leaving the quantity for the public, including imports by the trade, at 30,000 tons. As against this, India's pre-war consumption of paper was 110,000 tons. The Government has been making efforts to import on Government account a substantial tonnage of paper from North America; if the attempt succeeds, the imports will ease the situation.

Discussions.- A committee of the general meeting was appointed to consider the Control Orders in detail and make suggestions to Government. The Committee met on 11-7-1944 and formulated its proposals to which Sir Akbar gave his replies on the concluding day of the meeting, that is, 12-7-1944.

(Indian Information, dated 15-8-1944,
pages 158 to 166).

411

The Paper Control (Production) Order, 1944.

The Government of India on 2-8-1944 issued the paper Control (Production) Order, 1944 ~~under~~ under which manufacturers of paper in paper mills may produce paper only of certain specified varieties. The Director of Paper, Directorate General of Supply, Government of India, is vested with the necessary authority for the control of paper production.

(The Gazette of India Extraordinary,
dated 3-8-1944, pages 1217-1218).

The Rubber Manufactures Control Order,
1944.

The Government of India issued on 21-8-1944 the Rubber Manufactures Control Order, 1944, under which no person shall treat or consume any rubber except with the permission of the Controller of Rubber, Directorate General of Supply, Government of India.

(The Gazette of India Extraordinary,
dated 22-8-1944, pages 1233). ✓

The Paper Price Control Order,
1944.

The Government of India on 28-8-1944 issued the Paper Price Control Order, 1944, laying down the prices at which certain scheduled varieties of paper may be sold or purchased by manufacturers or dealers. Sale of paper ~~is~~ other than of the scheduled varieties by manufacturers is prohibited.

(The Gazette of India Extraordinary,
dated 28-8-1944, pages 1279-1280).

42

Food.

Efforts to Grow More Food: Restrictions
on non-food Crops in Hyderabad State.

Despite the Hyderabad State Government's efforts to encourage cultivators to take to the growing of food-crops as against commercial crops, there has been a marked increase in the area under the latter. The recent agricultural census has shown that in the year 1352 F. (1943) the area under cotton and groundnut increased rather disproportionately at the expense of food-crops. The cotton area increased by about 1,000,000 acres and the groundnut area by about 1,500,000 acres. On the other hand, the area under jawar decreased by 600,000 acres and that under wheat by 1,300,000. Measures have been taken by the State Government to give an added impetus to its "Grow-More-Food" campaign by offering inducements to agriculturists to revert to the cultivation of food-crops. These measures include:

(1) The assessment on all kharij khata and parampoke (waste) lands broken up for cultivation for the growing of food crops has been reduced by 50 per cent, while in several districts waste-land areas are being made available to members of backward castes and tribes on patta without ~~assessment~~ or premium. (2) In the case of lands under irrigational projects no wet rate is to be charged for the first year, one-fourth wet assessment in the second year, half in the third, three-fourths in the fourth and full assessment only in the fifth year. (3) Special concessions are given for the reclamation of saline and water-logged areas. (4) During the last two years Rs. 3.2 million have been placed at the disposal of the Agricultural Department to be utilized for the distribution of food-grain seeds and manure at concessional rates as taccavi loans. This year a sum of Rs. 3.1 million has been earmarked for taccavi loans to cultivators. (5) The Government is financing a special scheme for growing potatoes in the Stations. (6) Another scheme costing about Rs. 300,000 (including taccavi grants) for growing vegetables has been sanctioned by Government. (7) In co-operation with the Imperial Council of Agricultural Research, work has already started on making compost from town refuse, and shortly the manure so produced is to be made available in large quantities to the growers of food-crops, particularly vegetables. (8) Special attention is being given to cultivation under the various irrigational projects in the State. The Nizamsagar Central Development Board has been given an annual grant of Rs. 500,000 to speed up the development of the area commanded by the Nizamsagar Project. (9) Government has decided to impose a surcharge, or cash crops tax, on cotton and groundnut which will be equivalent, in the case of cotton, to twice the land revenue and in the case of groundnut, to three times the land revenue. This surcharge will not be payable by cultivators who mix cash crops with specified food crops in a proportion approved by Government. (10) Government has also decided to take powers to impose a sales tax on the sale of cotton and groundnut.

In addition to the above, steps are being taken to increase the yield per acre. This is to be brought about through (a) distribution of improved seed for about 300,000 acres as taccavi loans, (b) distribution of groundnut cake for use as manure for about 20,000 acres for paddy. The cake will be supplied at reduced prices and Government will bear the entire transport charges, (c) financial assistance for the transplanting of paddy covering about 10,000 acres instead of sowing it broadcast, and (d) arranging for the sowing of wheat and rabi jawar under irrigation on about 10,000 acres in the Nizamsagar area.

413

In order to protect the interests of producers, the Government has decided to buy up all surplus stocks of food-grains, if any, at prices not below those now being paid for the levy grain.

Regulation Issued.- The above measures not having the desired effect, the State Government recently issued the Restriction of Cash Crops Cultivation Regulation arming Government with powers to levy a tax on the cultivation of cash crops and also a tax on their sale.

(Hyderabad Information, July and August,
1944).

44

Post-War Reconstruction.

Post-War Expansion Plans for Vocational Education
in Hyderabad State. +

The steps intended to be taken by the Hyderabad Government for the expansion of vocational education in the State in the post-war period were outlined by the President of the Nizam's Executive Council, in the course of his inaugural address at the annual session of the Osmania University Graduates' Association. He said that Government's general educational programme to be carried out in the post-war period was proposed to be spread over two periods of seven years each, in order that money may be provided easily for financing it. For vocational education alone, a sum of Rs. 2,580,000 was to be earmarked for the first period. The Nizam ~~devoted~~ devoted the greater part of his address to a discussion of Hyderabad's industrial future and explained what Government proposed to do to meet the industrial needs of the State. He declared that Government was anxious to ~~revive~~ revive and rehabilitate the home industries and to popularize their products within as well as outside the State.

Plans for Current Year.- During the last few years, the Industrial Trust Fund had rendered considerable financial assistance to a number of industries. The result was that ~~Hyderabad~~ ^{Hyderabad} now manufactures cotton and silk cloth, cement, sugar, cigarettes, paper and power alcohol. The question now engaging the active attention of Government was the establishment of a chain of industrial schools in the State. A sum of Rs. 381,000 had been earmarked for the expansion of industrial education in 1353 Fasli (current year). This amount was being spent on opening six Industrial and Agricultural High Schools. Two of the Industrial High Schools would be exclusively for girls. An Agricultural High School and ~~an~~ a Central School of Crafts were also to be established. In addition to these, eight other industrial schools were to be opened—four for boys and four for girls. The scheme also provided for the reorganization and expansion of the thirteen existing industrial schools and the Central School of Art and Crafts. Private industrial schools which conformed to the prescribed standard were receiving grants-in-aid from the special provision.

Plans for Next Year.- Fresh proposals which were under consideration of Government for 1354 Fasli (next year) essentially formed part of the post-war educational reorganization scheme. If circumstances permitted, it was proposed to earmark Rs. 770,000 for the expansion of industrial education during 1354 Fasli. The amount would be spent on (a) further reorganization, within a stipulated period, of the Art School, the Osmania Technical College and the Industrial Schools at Aurangabad and Warangal; (b) the expansion of the School of Crafts, the establishment of new Industrial High Schools at Hyderabad, Gulbarga and Nizamabad and the establishment of large industrial schools at the District Headquarters and larger towns of the Osmanabad, Mahboobnagar and Nalgonda districts; (c) the establishment of a special industrial school at Hyderabad; (d) the provision of industrial education for girls by opening separate schools for them; (e) the expansion of the Agricultural High School at Parbhani and the opening of Agricultural High Schools at Warangal, Raichur and Nizamabad; and (f) the creation of a Bureau for collecting correct statistics and other data for the help and guidance of those who desired to avail themselves of the facilities provided for industrial education in the State. The implementation ~~in the~~ of this programme would, spread a network of ~~industrial~~ industries throughout the State.

Post-war Development Plans.- Apart from undertaking a greatly expanded programme of technical and vocational education, Government was giving special attention to the question of generating cheap electric

45

power in the State. It was proposed to instal a small plant at the Nizam Sagar, but Government's main scheme was to exploit the waters of the River Tungabhadra for producing hydro-electric energy. Government had under consideration other important matters such as the expansion of the railways, the manufacture of fertilizers and the establishment of oil-pressing factories on a large-scale basis.

(Hyderabad Information, August, 1944).

Labour Investigation Committee's Questionnaires
on Mines and Plantations.

References were made at page 67 of the December 1943 report and page 46 of the February 1944 report of this Office to the setting up, and terms of reference, of the Labour Investigation Committee. A general questionnaire issued by the Committee was summarised at page 34 of our June 1944 report. The Committee has recently issued two supplementary questionnaires in respect of mines and plantations respectively.

Questionnaire on Mines.- The questionnaire on mines deals with the method of recruitment, causes of labour shortage in mines, methods of wage payment, wage periods, advisability of setting up wage fixing machinery, rationalisation of industry, hours of work, absenteeism, supplementary income of workers, safety measures in mines, welfare measures, etc.

Questionnaire on Plantations.- The questionnaire on plantations deals with plantation population, sources of labour supply, freedom of movement and speech in plantations, labour disputes, revision of Tea Districts Emigrant Labour Act, wages, housing, health and sanitation and welfare measures.

(Summarised from copy of questionnaires received in this Office from the Committee).

Protection of Industries after the War:
Plea of the All India Manufacturers'
Organisation.+

In a statement issued on 11-8-1944, the All India Manufacturers' Organisation urges that Government of India to adopt protective measures to safeguard Indian industries after the war. The statement says: "..... India's status as an industrial nation has now come to stay, particularly as a result of the development that has taken place during the war..... What is now required to stabilize the war industries in the future is such an announcement about the tariff policy of the country as will assure us that the war-developed industries will not be allowed to die.....It is no doubt ~~that~~ true that so far the Government of India have committed themselves only to the protection of such industries as have been started or developed during the war at their instance. It follows that the narrow and obsolete criteria which used to govern the deliberations of the Tariff Board will no longer be operative. It is, therefore, proposed that, besides such war-time industries as are certain of Government help in the post-war period, provision should also be made for industries which are ~~part~~ part of the war effort of the country irrespective of any Government assurances, such as: key or defence industries and their subsidiaries, heavy industries and their ancillaries and industries manufacturing articles in respect of which it is essential for the country to be independent of foreign supplies in time of war or similar emergencies."

In order to stabilize these industries the following methods, amongst others, have been suggested by the organization: protective tariffs, subsidies, guaranteed interest on invested capital, facilities for import of suitable equipment and of essential raw and semi-manufactured materials. These protective measures, it says, are essential if a large part of the sterling balances is to be properly utilized for the import of capital goods. Moreover, heavy, medium and small industries established during the war provide an opportunity to balance ~~the~~ industrial potential. Even these industries touch merely the fringe of the economic development which India hopes to realize through a planned national economy. Therefore the survival of ~~these~~ industrial war-time ~~gains~~ is a fundamental necessity and nothing should be left undone which is required for the continued growth and final stabilization of ~~our~~ industries.

(The Hindustan Times, 13-8-1944).

Sir Ardeshir Dalal takes charge of Planning
and Development Department.+

Reference was made at pages 41-42 of our report for May, 1944, to the appointment of Sir Ardeshir Dalal as member in charge of the new Department of Planning and Development. It is notified that he took charge of the Department with effect from 1-8-1944.

(The Gazette of India, Extraordinary,
dated 1-8-1944, pages 1215-1216).

47

Road Development For India: Presidential
Address of Mr. Kynnersley at Annual Meeting
of Indian Roads and Transport Development
Association. +

At the annual meeting of the Indian Roads and Transport Development Association, held at Bombay on 29-8-1944, Mr. T.R.S. Kynnersley (President of the Association), referred in the course of his presidential address to how an adequate network of roads would quicken the sluggish pulse of agriculture, open up areas for business and industrial enterprise, and raise the standard of living for all. He stressed also the importance of a road development programme for providing the minimum amenities of civilization and facilitating the ~~transport~~ transition from war to peace and urged the formation of a Central Organisation like a Road Board without delay to implement the proposals for road development now before the country. "Near good communications" he said, "the standard of living automatically rises, illiteracy decreases and famine and disease can be kept more easily at bay. Schools and dispensaries can operate more efficiently".

On account of the lack of roads to feed the railways, ^{he said,} the full benefits of the latter had never been reaped. Mr. Kynnersley referred to several official and non-official reports in support of this view and pointed out that more recently the ~~financial~~ impact of the war had brought strongly home the inherent danger of allowing road policies to be governed by the mere expediency of balancing budgets.

Road Plans.— Mr. Kynnersley referred to the two non-official plans for the economic development of India. The Bombay Industrialists' Plan (vide pages 41-44 of our February 1944 report), recommends the extension of the Road System in British India alone to 500,000 miles. The "People's Plan" (vide pages 60-61 of our March 1944 report), recommends 670,000 miles of new or improved roads. In comparison with ~~these~~ these, the Government Plan, which is the one recommended ~~to them~~ by the Chief Engineers, (see pages 54-56 of our March 1944 report), is far less ambitious. In the whole of India including Indian States, the road system is to be extended to 400,000 miles under this plan—an increase of just 65 per cent over the existing mileage. The estimated cost of this, computed at 50 per cent above pre-war price levels, is Rs. 4,500 million. Thus, the Chief Engineers' Plan recommends merely the irreducible minimum in the matter of roads—what India, to keep abreast of the world, should have undertaken long ~~long~~ ago. Other countries which had had modern road systems for many years were still preparing huge road plans. Referring to road designs, Mr. Kynnersley said that special cycle tracks should be made where the demand warrants it, and ribbon development must be ruthlessly crushed at the start. The segregation of bullock cart traffic would help the bullock and all other road users and reduce the maintenance bill out of all proportion to the original cost.

Need for Central Authority.— The road programme recommended by the Chief Engineers was in course of preparation, but difficulties were being felt for the lack of a Central Authority to deal with administrative and technical problems and provide the necessary drive. It had been rightly pointed out by the sponsors of the programme that more realistic rural road planning needed new angles of vision and new research and traffic studies and, to quote their words, "these things, if left to Provinces mean multiplication, ~~waste~~ waste of effort and delay". The central organisation must therefore be adequate not only to give the lead, but to step in where there is stagnation". In this connection Mr. Kynnersley referred to the U.S.A. and the establishment of the Bureau of Public Roads there. The creation of a Road Board or some such machinery in India, he said, was the most immediate need ~~for~~ of the day for implementing the road programme.

118

A Central Authority could be set up only with the concurrence of the Provincial Governments, but with the lively appreciation allround of the need for road development, it was inconceivable that any objections would be raised to the formation of a body whose functions would include those of the U.S. Bureau of Public Roads. Only by launching out boldly on public works, he pointed out, could employment be planned for those returning to peaceful occupations from the Army or from war industries. Such preliminaries as land acquisition should be completed and the programme must be fully ready before the termination of the war. The creation of a central organisation was consequently most urgent.

Finance.- Mr. Kynnersley finally referred to finance, and after quoting Sir Jogendra Singh's recent reference to the suggestion that transport should be treated as a service, rather than as revenue-earning proposition, he asserted that expenditure on roads was an investment no less remunerative than in the case of Railways. So road development ~~must~~ ^{is} to be financed by loans. For the first 40 years of their history, Indian Railways did not pay in a commercial sense, when losses were made good by the taxpayer. Later, the Railways more than justified their commercial existence and contributed large sums to the exchequer. He had seen calculations which claimed that an improved road system would save the rural population over Rs. 500 million annually in transport costs alone. The Association's Pilot Survey had shown that every ~~and~~ hundred rupees spent on roads would bring a return of Rs. 277 to the community through increased earnings. In addition, substantial increases in motor transport taxation and income-tax receipts would accrue, as well as increases in railway traffic and manifold social benefits. The cost of roads should be distributed in relation to the benefits derived by (a) society in ~~xxxxxxx~~ general, (b) definite groups such as railways and agriculture, (c) property served and (d) the road user: which meant that general revenues and the revenue from road transport should share the costs. The revenue from motor transport which was Rs. 95 million in 1938-39—exceeding the total road expenditure in the year by 50 per cent—was steadily growing and rose to Rs. 115 million in 1940-41. When the road programme now envisaged is completed, it will probably be found and that this revenue will be mounting up in the neighbourhood of Rs. 400 million per year.

(The Times of India and the Hindu,
dated 31-8-1944).

Bombay Government's Fifteen-Year Plan of Rural Development.

A fifteen-year plan for the post-war development of Bombay Province is under preparation by the Government of Bombay. The object is to raise the economic level in the countryside, to increase the well-being of the people and arrange for the resettlement of returned soldiers. The plan covers several aspects of non-industrial rural development and embraces the fostering of home and village crafts, but does not deal with large-scale industry which depends on planning by the Centre.

The plan is to be divided into three five-year periods and the first of these will cost about Rs. 500 million on the basis of current prices. Classified, the plan falls into four categories: (1) Special Priority Schemes—to be put into effect as quickly as possible to meet, to some

extent, existing and post-war demands for staff; (ii) All-Province Schemes—to be spread over all districts, to cater for more urgent and basic needs and to prepare the way for more intensive development; (iii) Particular Area Schemes—by their nature suitable for introduction only in certain areas; and (iv) Concentrated Area Schemes—for all-round improvement of selected areas.

Special Priority Schemes: Training of Staff.—The Government has already taken up the training of the necessary staff for the execution of the various schemes. Agriculture, cooperation, education, health and engineering are some of the subjects in which trained men will be required in large numbers. Intensified research work is the principal feature of the agricultural programme. Nineteen research stations to be established in the cereal-growing tracts will devote their attention to the breeding and improvement of the principal types of such food crops as wheat, bajri, rice, jowar and the like. To enable the benefits of this research to be passed on to the farmer and to ensure that all knowledge possible is widely disseminated and applied, it is intended to strengthen the agricultural staff in the districts so that, at the end of five years, there will be one graduate agricultural officer in each prant and an agricultural assistant in each taluka.

The Co-operative Department is to have a staff training centre at Poona with, possibly, sub-centres at Dharwar and Surat. To meet the post-war needs for many more engineers, the College of Engineering at Poona is to admit 50 more students to each of its degree and diploma courses. Three new training colleges will be opened for primary teachers as also some more colleges of medicine.

In Bombay City attention will be given to industrial diseases and hazardous occupations by the setting up of a Department of Industrial Medicines in the J.J. Hospital. The officer in charge will be expected gradually to develop machinery to deal with problems of industrial psychology and fatigue. Another development in the city will be in the field of industrial education, for which also ample facilities will be provided.

Road Transport and Electricity.—It is proposed to rationalise the organisation of motor transport with a view to provide greater public convenience and to coordinate road transport with other means of communications. An integral part of the Government's plan will be an electrical grid system, which aims at linking up and amplifying all sources of electricity so as to increase the use of electricity throughout the province, cheapening the rates and, in particular, making it available to rural areas, agriculture and small industries. As an off-shoot, this scheme may have a synthetic ammonium sulphate factory providing cheap manure for the province's farmers.

Particular Area Schemes: Agricultural Programme.—The wider and more efficient use of manure is one of the objectives of the Agricultural Department's schemes to be applied in particular areas. Three main lines of work are proposed. One is the introduction and expansion of organic manuring by better conservation of farmyard manure, by the scientific preparation of compost and by the increased cultivation of green manure crops. The second is the extended use of cake manures with rice, vegetables and other suitable crops; and the third, the increased and economical use of inorganic fertilisers in selected areas. Another scheme provides for the extension of improved agricultural implements; and the Department has also prepared large-scale plans for the construction of new wells and tanks and for the improvement of such existing sources of crop irrigation on a subsidy basis, as has been done during the "grow-more-food" campaign. Fruit and vegetable growing is to be encouraged wherever conditions are suitable. District nurseries will provide the young plants and give training to 200 cultivators and malis (gardners) every year while two

50

district sub-stations ^{will} undertake research.

In forest areas rehabilitation work will be undertaken to make up for ~~either~~ the excess felling of ~~timber~~ timber for war needs. Roads damaged by the heavy war-time traffic will be reconstructed and new ones built; and better water supplies and other amenities will be arranged for the forest staffs.

Health Organisation.- A district health organisation, with a health officer in charge, will be introduced into every district, and in malarial areas special parties of trained workers will investigate the conditions responsible for the disease and institute control ~~for the disease and~~ measures. A permanent anti-plague organisation will be set up to deal with endemic centres and areas susceptible to infection from outside the province.

Trained Staff.- Industry, urban and cottage, will benefit by a supply of graduates from industrial schools to be founded in Satara, Hubli and Bijapur and from the R.C. Technical Institute in Ahmedabad, which is to be reorganised to make it of greater use to the textile trade. Altogether, these four institutions will train 618 pupils a year.

Labour Welfare.- In the field of labour, machinery will be set up for the extension to factories of the Payment of Wages Act, including the appointment of trade boards to regulate minimum wages. Operation of the Bombay Industrial Disputes Act for the settlement of trade disputes will be extended to cover more industries. Amenities ~~of the workers~~ for the working classes in industrial areas will be increased and improved.

Cost of Schemes. ~~The~~ Irrigation works are estimated to cost Rs. 140 million during the 15 years—Rs. 35 million in the first five-year period, Rs. 47 million in the second and Rs. 58 million in the third. The actual works to be undertaken, have still to be selected, include water supply schemes for Dharwar and Hubli, Belgaum, Ahmednagar, Badlapur and Bombay Suburbs, Surat, Pandharpur, Poona and Kirkee, Nipani, Nadiad and Godhra and drainage systems for Surat, Ghatkopar, Jalgaon and the Bombay Suburbs.

"Concentrated Area" Schemes.- In "Concentrated Areas", when the reconstruction work is over, all its district and village roads would have been built and repaired. Water supplies would have been provided in villages and towns and the larger towns would have proper sanitation. Malaria-breeding ~~health~~ areas would have disappeared, proper health and medical services would be functioning and there would be a veterinary dispensary in every taluka. Schools would have been built and staffed by trained teachers and there would be agricultural and technical high schools for those youths who wish to carry their studies further. Local industries and co-operative work would be encouraged. Irrigation would have been provided, land improved and protection given to areas liable to erosion. Nine districts have been taken as the ~~the~~ target for the "concentrated areas" for the first five years.

Rural Development Centres will be established, if possible, in each district. It is proposed that special arrangements should be made for demobilised soldiers to be trained here, both for the care of their own lands and as rural reconstruction agents in villages. Great emphasis is to be placed on the development and improvement of agricultural, forest and waste lands in areas most liable to famine and scarcity. The Co-operative Department will organise in the "concentrated areas" societies for the consolidation of holdings. It will also help in the establishment of a network of regulated markets for local produce and ancillary co-operative sales societies. More attention will be given to the farmers' livestock.

More hospitals and maternity and child welfare centres will be

opened in concentrated areas. Education will gradually be made free and compulsory. Primary schools will be opened in some 650 school-less villages with a population of 400 and over and, to encourage women's education, hostels for girls, will be set up, attached to girls' full grade primary schools. Besides those already in existence, 20 agricultural bias schools and four agricultural high schools will be opened. Two technical high schools will also be provided. To facilitate the education of soldiers' children it is proposed to establish 20 hostels on the main recruiting areas by the time the war is over.

(The Times of India, 17-8-1944).

Government of India's Basic-Plan of Post-war Development of Railways..

A Rs. 3,190 million basic plan drawn up by the Railway Board, Government of India, for the post-war development of railways during the next seven years was described by Sir Iakshmiipathi Misra, Member of the Board, addressing the Institute of Engineers at a meeting held at New Delhi on 5-8-1944.

Details of Plan.- The basic plan has been classed into three main groups: (a) Rehabilitation, consisting of repair and replacement of workshop machinery, locomotives, wagons, coaches, tracks, rails and other equipment, and of replacement of dismantled branch lines which could fit into the road plan of national highways and provincial arteries; (b) improvement in organization and personnel such as in service for goods, parcel and passenger traffic, evolution of new rates structure in keeping with post-war requirements, reduction in the number of classes in railway trains and development of staff welfare organizations to improve the welfare and efficiency of railway employees; and (c), developments, including provision of special amenities for third-class passengers both in trains and at stations, establishment of workshops for the manufacture of locomotives, extension of the activities like road and air, absorption of demobilized personnel in railway services and financing the construction, operation and maintenance of new lines in undeveloped areas.

New Lines.- The plan includes the construction of about 5,000 miles of new lines in the post-war period, of which a little over 2,500 miles would be laid in the first seven years. A majority of these lines would remain unremunerative for a number of years from the point of view of railways and would, on an average, be more costly because of the difficult country they would pass through than the lines already opened to traffic.

Training of Staff.- Training of the staff would be another important plank in the railways' post-war programme. Under the scheme proposed, opportunities would be available for the staff to acquire knowledge through technical training imparted in railway schools to qualify for higher posts. Special organizations would also be set up to look after the health and sanitation of railwaymen's colonies. Rs. 480 million would be set apart under this head.

Manufacture of Locomotives.- It has been decided to set up a manufacturing plant as soon as possible at Kanchrapara, turning out 80 locomotives and 80 boilers per year. In addition, negotiations are in hand

52

with a private firm for the manufacture of about 100 locomotive boilers a year, and if these negotiations materialize and the manufacture becomes a success, this firm would develop the plant into one for the manufacture of engines. About a third of the machine tools required by the railways would be supplied within the country during the post-war ~~parimax~~ period. They are already being produced on a large scale by some firms.

Finance.- Of the total estimate of Rs. 3,190 million, approximately Rs. 1,250 million ~~will~~ will have to be met out of the depreciation fund and Rs. 1,940 million from additional loans to be raised by the Government of India in the first seven years of the post-war period. The first year would cover the preparatory stages and the target would be reached in the third year of the post-war period. The total expenditure in the first year had been kept down to Rs. 160 million, in the second year to Rs. 350 million and it would remain steady at Rs. 540 million for the next five years. After the second year the expenditure of Rs. 540 million could, if general developments in the country warranted it, be stepped up to Rs. 600 million or, if necessary, reduced to Rs. 450 million.

Replacement of Machinery.- A programme of replacement of machinery in railway workshops had been prepared for 20 years. In the first five years the amount to be spent would be Rs. 15 million and thereafter Rs. 6 million a year for 15 years. Purchases of locomotives were expected to be in the neighbourhood of 230 annually for over 15 years, and of goods wagons 4,000 broad gauge and about 700 metre gauge per year for the first 10 years.

The plan provided for about 2,000 miles of primary, secondary and tertiary relaying per year. The number of sleepers required had not yet been calculated, but it was expected that on an average about 2,500,000 of wooden sleepers and anything up to 1,000,000 of cast iron and steel sleepers would be required.

For works under "improvements", an expenditure of Rs. 930 million—Rs. 450 million for "operational" works and Rs. 480 million for welfare and efficiency of the railway staff—had been provided. The proposed works would consist of conversions from metre to broad and broad to meter gauge.

(The Hindustan Times and the Statesman,
dated 6-8-1944).

**Survey of Bengal's Power Resources: Post-war
Sub-committee's Recommendations.**

The Electricity Sub-committee of the Bengal Post-War Reconstruction Committee has recommended the formation of an expert committee for a thorough survey of all available power resources, thermal and hydro-electric of the Province. It has also urged the immediate necessity of approaching the Government of India for complete initial equipment for the early installation of at least one thermal power station of a capacity of 100,000 kw. in the Raniganj coalfield area. The committee suggests that, having regard to the present stage of electrical development in Bengal, the question of establishing the grid system or inter-connexion between different regional power stations, does not arise. The question will, however, have to be taken up as soon as a few large-sized regional stations are in operation.

(The Statesman, 30-8-1944).

13

List of the more important publications received in this Office
during August, 1944.

Social Policy. -

Department of Labour. Standing Labour Committee (Fourth Meeting)
(Held at Lucknow on the 25th and 26th January, 1944). Summary of
Proceedings. 1944.

Economic Conditions. -

- (1) Twenty-second Annual Report of the Indian Central Cotton Committee,
for the year ended 31st August 1943. Price Rs.2/=. British India
Press, Bombay.
- (2) Indian Central Cotton Committee. A Manual on the preparation of
All-India Cotton Crop Forecasts. Bombay. 1944. Price 8as.

~~(3)~~

Organisation, Congresses, etc.

Report of the Annual Session of the Indian Federation of Labour,
Bombay. 1943. Indian Federation of Labour, 30-, Faiz Bazar, Delhi.