

INTERNATIONAL LABOUR OFFICE

INDIAN BRANCH

----

Report for January 1935.

C1903/74

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

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References to the I.L.O. -

The combined issue of the Abstract of Proceedings of the Bengal Chamber of Commerce for September and October 1934 publishes a note giving the substance of the Government of India communique dated 3-10-34 on the items on the agenda of the 19th session of the I.L.Conference. In the note the Chamber suggests the desirability of sending to the Conference a delegate or adviser with coal mining experience in view of the item on the agenda regarding employment of women in mines.

& \* \*

The Excerpts from the proceedings of the Committee of the Millowners' Association, Bombay, for December 1934, publish the Government of India's communique setting forth the full list of the items on the agenda of the 19th I.L.Conference and states that the Committee has recommended Mr. Husseinbhoj Lalljee of Bombay, for nomination as the Indian employers' delegate to the Conference.

The Government of India's communique on the agenda of the 19th I.L.Conference is also published in the December 1934 issue of "Labour Gazette", Bombay.

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The Planters' Chronicle, Madras, dated 26-1-35 reproduces the note on the 19th session of the I.L.Conference published in the October -November 1934 issue of the I.L.O. Monthly Summary.

\* \* \*

The Excerpts from the proceedings of the Bombay Chamber of Commerce during December 1934 publish a short note to the effect that the Chamber has received intimation from the Associated

Chambers of Commerce in India that the Punjab Chamber of Commerce was recommending Mr. P. Mukerjee of that Chamber for nomination as the employers' delegate to the 19th I.L.Conference.

\* \* \*

The Hindustan Times of 8-1-1935 and the Hindu, the Amrita Bazar Patrika and the National Call of 9-1-1935 publish a United Press of India message dated 7-1-1935 from Bombay to the effect that Mr. Jammadas Mehta has been invited by the Governing Body of the I.L.O. to attend its January 1935 session.

\* \* \*

The Times of India, the Hindustan Times and the Amrita Bazar Patrika of 9-1-1935, and the January 1935 issue of the Union Herald, Bombay, publish a summarised report of a speech delivered by Mr. Jammadas Mehta at a dinner given in his honour on the eve of his departure to Geneva. In his speech, Mr. Mehta explained the object of his attending the forthcoming Governing Body session.

\* \* \*

The Statesman and Hindustan Times of 11-1-1935, and the Hindu, the Amrita Bazar Patrika and the Leader of 12-1-1935 publish a summary of an interview granted by Mr. Jammadas Mehta to the United Press before leaving Bombay for Geneva.

The January 1935 issue of the Union Herald, Bombay, publishes the news item that Mr. Mehta left Bombay on 10-1-1935 to attend the 69th session of the Governing Body of the I.L.O.

\* \* \*

The Leader of 14-1-1935 publishes a photograph of Mr. Jammadas Mehta taken at the time of his departure from Bombay to Geneva.

\* \* \*

The Hindu of 31-12-34 publishes a Reuter's message dated 30-12-1934 from Rome to the effect that since 1-12-1934 at which date the 40-hour week was introduced in Italy, 128,000 unemployed have been reabsorbed into employment in that country.

\* \* \*

The Hindu and the Statesman of 9-1-35 and the Times of India of 10-1-1935 publish a British Official Wireless message dated 8-1-1935 from Rugby to the effect that consultations between the representatives of the British Government and the General Council of the British Trade Union Congress re. the proposal for a shorter working week will open on 24-1-1935.

\* \* \*

The Hindu of 25-1-1935, the Times of India of 26-1-1935 and the Statesman, the Leader and the Amrita Bazar Patrika of 27-1-1935 publish a Reuter's message dated 24-1-1935 from London to the effect that discussions between the British Ministry of Labour and the British Trade Union Congress on the question of a reduction of hours in industry had begun on 24-1-1935. The message states that "the government considers that a general 40-hour week without reduction in wages largely depends on an international Convention, but the government is hopeful of achieving results by voluntary efforts"

Along with the above news item the Statesman of 27-1-1935 publishes a British Official Wireless message giving details regarding the opinions on the subject expressed by the Minister for Labour and Mr. Walter Citrine.

\* \* \*

Federated India, Madras, dated 2-1-35 and the January 1935

issue of the Insurance and Finance Review, Calcutta, <sup>published</sup> a <sup>^</sup>communique issued by this Office on 30-11-1934 on the address delivered by the Director of the Geneva Office at the 54th session of the American Federation of Labour held at San Fransisco in October last.

\* \* \*

The Hindustan Times and the National Call of 16-1-1935, the Hindu, the Leader, the Indian Social Reformer and the Financial News of 19-1-1935, "Commerce and Industry", Delhi of 22-1-35, the Times of India of 24-1-35, the Rajasthan, Delhi, of 24-1-35, the Industrial Supplement of "Indian Finance, Calcutta, and the Indian Labour Journal, Nagpur, of 27-1-1935, publish a communique reviewing the I.L.O's progress during 1934 issued by this Office on 14-1-35.

\* \* \*

The Amrita Bazar Patrika of 19-1-35 publishes an editorial article under the caption "What Indian can Learn from Japan". In the course of the article the main conclusions on the conditions of labour in Japanese industries arrived at by M.Fernand Maurette in his report: "Social Aspects of Industrial Conditions in Japan," are summarised.

\* \* \*

The Industrial Bulletin issued by the Employers' Federation of India, Bombay, dated 21-1-35 publishes a review of M.Fernand Maurette's report: "Social Aspects of Industrial Conditions in Japan", drawing attention to the salient features of the Report.

\* \* \*

The Leader dated 28-1-35 publishes a note on the recent

establishment of an employment bureau by the Chinese Central Government. It is pointed out in the note that <sup>If a Bureau is established</sup> ~~it is~~ partly in pursuance of a recommendation made by M. Fernand Maurette in his report on China which was submitted to the Committee on Intellectual Co-operation of the League of Nations. It is also mentioned that the Bureau, in its initial stages, will be seeking the help of institutions like the I.L.O.

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The Hindustan Times of 24-1-1935, the Indian Labour Journal, Nagpur, of 27-1-1935 and "Commerce and Industry", Delhi, dated 29-1-35 publish a communique issued by this Office on 22-1-35 on the regulation of hours of work in cotton and wool textile industries

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The February 1935 issue of "Swords and Plowshares", Bombay, publishes an article under the heading "I.L.O. covers the World" contributed by Mr. Henry Chalmers-Reddaway. The article reviews the history of the U.S.A.'s Co-operation with the I.L.O. which culminated recently in her becoming a Member of the Organisation and points out how the I.L.O. is thus becoming a world-organisation.

\* \* \*

The February 1935 issue of "Swords and Plowshares", publishes a summary of an address delivered by Mr. N.<sup>M.</sup>Joshi on 12-12-1934 before the Bombay Presidency League of Nations Union. Mr. Joshi complained that the Government of India's enthusiasm for international action in the field of labour legislation had cooled considerably in recent years as was shown by the paucity <sup>of</sup> ~~in~~ the

number of new ratifications of I.L.Conventions. India's record in the matter of ratifications of Conventions was poor, the country having ratified only 14, the majority of which are unimportant Conventions. Mr. Joshi expressed the opinion that the chances of India ratifying a satisfactory number of I.L.Conventions in future were gloomy as long as labour remained a provincial subject as contemplated in the new constitution. He also pointed out that Russia's entry into the League and the I.L.O. was of great significance to workers.

\* \* \*

The Statesman of 11-1-1935 publishes an editorial article on "Workers and Workless" reviewing industrial conditions in the world today. In the course of the article it is remarked that despite the efforts of the I.L.O. and of liberal-minded governments to ensure tolerable conditions in factories and reasonable rates of pay and hours of work, there are still employers who abuse their powers and are indifferent to the welfare of their workers.

\* \* \*

The Statesman of 29-1-1935 and all other papers publish the report of the Legislative Assembly debate on 28-1-1935 on the Government of India's motion to refer the Indian Mines Act (Amendment) Bill, 1935 to a Select Committee. In the course of the debate Mr. Abdul Matin Chaudhry, Mr. V.V.Giri and Mr. N.M.Joshi urged the government to bring down the level of hours of work in Indian mines to the level prescribed in the I.L.O.Draft Convention on hours of work in coal mines and also to ratify that Convention. Mr. A.G.Clow, on behalf of the Government, said that it was not



possible for the Government of India to ratify the Convention as it was primarily meant for Europe.

The Statesman of 30-1-1935, commenting editorially on the debate, states: "In the interests of the miners themselves the Government are bound to resist efforts to apply completely and immediately to an industry in India an international convention primarily meant to deal with conditions in Europe".

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The February 1935 issue (Vol.I)No.1) of "Swords and Plowshares", (a journal newly started by the Bombay Presidency League of Nations Union, Bombay), reproduces an editorial article which appeared in the Times of India under the caption "The Advance Guard of the League". The article reviews the latest report of the International Federation of League of Nations Societies and calls attention to the activities of the Bombay League of Nations Union in arranging discussions on the various aspects of the activities of the League and the I.L.O.. It remarked: "The League of Nations ought to mean a great deal to India, but it cannot do so until public opinion in the country is efficiently organised to support it."

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The January 1935 issue of the Anglo-Gujarati Quarterly Journal of the Indian Merchants' Chamber, Bombay, reproduces the note on the working of the Hours of Employment Regulations on Indian Railways during 1933-34, published in the November 1934 issue of the "International Labour Review".

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The November 1934 issue of "Jamia", an Urdu monthly organ of the Jamia Millia University, Delhi, publishes the Urdu translation

of an article under the caption "The New Economic Revolution: Its Social Implications" contributed by the Director of this Office. In the course of the article several references are made to the interest taken by the I.L.O. in the subject of planned economy.

The original article (in English) is published in the December 1934 issue of "India and the World", Calcutta.

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The Hindu dated 15-1-35 and the Indian Labour Journal, Nagpur, dated 20-1-35 publish reports of the 1st Madras Provincial Labour Conference held at Golden Rock, Trichinopoly, on 13-1-35. At the Conference speeches were made and resolutions passed condemning the recommendation of Mr. V.M.Ramaswami Mudaliar for nomination as the Indian workers' delegate to the 19th I.L.Conference on the score that Mr. Mudaliar is not an actual worker. A resolution was passed recommending Mr. D. Krishnaswami Pillai instead for nomination as the Indian workers' delegate for the Conference.

The Indian Labour ~~Journal~~ Journal, Nagpur, dated 20-1-35, commenting on the resolution, says that the remarks on the nomination of Mr. V.M.Ramaswami Mudaliar were occasioned by party rivalry and jealousy than <sup>more</sup> deep-seated principles.

\* \* \*

The Leader of 21-1-35 and other papers publish the report submitted by the General Secretary of the All-India Women's Conference to the session of the Conference held at Karachi during the Christmas week of 1934. In the report reference is made to a memorandum containing recommendations for the betterment of the working conditions of women and children in India which the

Conference submitted to the I.L.O. Dealing with the new Indian Factories Act, attention is drawn in the report to the fact that the Act falls short in many instances of the standards set up by the I.L.O. in respect of the welfare of women and child workers.

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The Times of India of 18-1-35 publishes an editorial article under the caption "America and Geneva" reviewing the relations between the U.S.A. and the League Organisations. It is remarked that the U.S.A. is gradually moving towards full co-operation with the League Organisation and the hope is expressed that it may become an actual Member of the League soon.

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The January 1935 issue of the Anglo-Gujarati Quarterly Journal of the Indian Merchants' Chamber, Bombay, publishes an editorial note under the caption "Members of the League of Nations - India and Russia". The note points out that the seat vacated by Japan in the League Council has been offered to Russia in spite of the fact that Russia is a new member, whereas, India in spite of her being an original member, has not upto now been offered even a temporary seat for a year. The opinion is expressed that Great Britain made India join the League to secure one more vote in the League Assembly and that the country is not keen about India being made a member of the League Council, on either a permanent or a temporary basis. It remarks; "Russian Independence and the dependence of India and her helplessness are the causes for the differential treatment accorded to the two countries."

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The January 1935 issue of the Anglo-Gujarati Quarterly Journal

of the Indian Merchants' Chamber, Bombay, publishes an editorial note under the heading "Organisation of the League and India." The note draws attention to the fact that in spite of India being sixth in rank according to the annual contributions of Member States, and in spite of her vastness, her claim for a seat in the League Council has not been recognised. It is also pointed out that not even one per cent of the permanent staff employed in the Geneva Secretariat ~~are~~ represented by Indians and that even the few who are employed are appointed only "on minor posts and not on higher posts in any department or sub-department of the League".

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Part I of the Gazette of India, dated 26-1-35, publishes at pages 149-255 the report of the Delegates of India to the 15th (Ordinary) session of the Assembly of the League of Nations, 1934.

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The Government of India have published, as Bulletin No.53 in the "Bulletins of Indian Industries and Labour" series, the report of the Delegates of the Government of India to the 18th session of the International Labour Conference. (A copy of ~~the~~ Bulletin No.53 was forwarded to Geneva with ~~our~~ Minute D.2/325/35 dated 24-1-1935.

\* \* \*

The following messages having reference to the I.L.O. ~~and~~ emanating from Reuter or other European News Agencies were published in the Indian press during January 1935.

1. A Reuter's message from Rome dated 30-12-34 regarding the effect of the introduction of the 40-hour week in industry in Italy

on the unemployment situation in that country (vide enclosure No.2 of our Minute H.4/271/35 dated 17-1-1935).

2. A British Official Wireless message from Rugby dated 8-1-35 announcing the date of discussions between the British Labour Ministry and the British Trade Union Congress on the introduction of a shorter working week in industry.(vide enclosures Nos. 20,21 and 22 of our minute H.4/271/35 dated 17-1-1935).

3. A Reuter's message from London dated 24-1-1935 re. the commencement of the discussions mentioned above. (vide enclosure Nos 17-21 of our minute H.4/369/35 dated 31-1-1935).

4. A British Official Wireless message (date not indicated) giving details of the views expressed by the Minister of Labour and Mr. Walter Citrine on the subject mentioned above.(vide enclosure No.19 of our minute H.4/369/35 dated 31-1-1935).

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First Session of the Fifth Legislative Assembly:

Viceroy's Address: +

The first session of the newly elected Legislative Assembly met at New Delhi on 21-1-1935. On 24-1-1935 Sir Abdur Rahim, Leader of the Independent Party in the previous Assembly, was elected President of the Assembly, his opponent, Mr. T.A.K. Sherwani, the Congress candidate for the office, securing only ~~52~~<sup>62</sup> votes to Sir Abdur Rahim's ~~227~~<sup>70</sup>. After the election, the Viceroy addressed the Assembly. In the course of the address, the Viceroy made a general survey of the political and administrative situation in India and referred to the more important legislative measures contemplated by the Government. The earlier portions of the speech were devoted to the interests of Indians in Zanzibar and Kenya, the new attempts to overhaul educational activities: the steps taken to promote agricultural research (including the sugar industry and dairying), the improvement of the marketing system, the rapid development of air transport, the constitution of a Roads Congress, labour legislation, and the means of accelerating trade and industrial prosperity, and the latter ~~pr~~ portion to a review of the political situation. The following is a brief summary of the sections of the address having a bearing on the work of this Office:-

Indians Abroad.- (a) Zanzibar. Mr. K.P.S. Menon, I.C.S. who was deputed by the Government of India to study the effects of certain recent legislative measures affecting Indian interests presented his report at the end of September 1934. A special meeting of the Standing Emigration Committee of the Central Legislature was summoned in the middle of November to consider the report. In full agreement with the advice of the Committee, which endorsed the recommendations of Mr. Menon, representations were made to His Majesty's Secretary of State for the Colonies. In view of the close connection between debts and the security on which they have been advanced, the Government of India, acting on Mr. Menon's advice, decided to defer ~~the~~

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comment on the Land Alienation Decree ~~Bill~~ until the Commission appointed by the Government of Zanzibar to report on the question of indebtedness has reported. As regards legislation relating to the clove trade, which appears to be of immediate and far-reaching menace to Indian trading interests, the Government of India have suggested drastic revision. The comments of the Resident in Zanzibar, to whom the Colonial Office referred Mr. Menon's report, have been recently received. Both the report and the comments will be published shortly. The Viceroy gave the assurance that the Government of India will continue to do their utmost to secure that the interests of the Indian community, which has a long and honourable record of association with Zanzibar, are fully safeguarded.

(b) Kenya.— Leaders of the Indian community in Kenya have for some time ~~been~~ anxious regarding legislation to regulate the marketing of native produce in that territory which they expected would be introduced. Profiting by Mr. Menon's deputation to Zanzibar, the Government of India secured the concurrence of the Colonial Office to Mr. Menon's investigating the operation of similar legislation in Uganda and Tanganyika, where it has been in force for some time, and to assess its probable effect upon Indian interests in Kenya. On the basis of the report which Mr. Menon submitted representations were made early in November 1934. Pending consideration of Mr. Menon's views, progress with the Bill, which the Government of Kenya had gazetted, has been deferred.

Educational Reform.— Referring to the insistent demands for educational reform, the Viceroy said that, though he did not think the present system ~~served~~ <sup>served</sup> no useful purpose, it was necessary to overhaul the system and effect reforms in keeping with the social, economic and political changes. The constitutional framework has made education the responsibility of Provincial Ministers and local Legislatures. Nevertheless, the Government of India cannot be disinterested and aloof spectators, though they may no longer direct or control, they can help to provide machinery which will facilitate and promote interchange of ideas and information. For this purpose the Government of India have decided to revive the Educational Advisory Board from the next financial year.

Improvement of Agricultural Conditions.— After referring briefly to the work of the Imperial Council of Agricultural Research in the direction of co-ordinating and guiding agricultural research throughout India, the Viceroy referred to the steps taken to improve marketing of agricultural produce. It was the Government's intention to initiate, at as early a date as possible, marketing surveys for certain main groups of commodities, namely, cereals, oilseeds, fruit and vegetables, fibres and tobacco, dairy produce and poultry, livestock and livestock products. For this purpose 17 marketing officers have been recruited. Simultaneously with the commodity surveys, the existing markets, both primary and terminal will be studied and also the results of the previous efforts which have been made to organize producers and improve the markets open to them. As each survey is completed, the practical conclusions to which they are designed to lead will be examined in consultation with local Governments, so that active development work for the improvement of marketing may be undertaken without delay.

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Labour Legislation.- The portions of the Viceroy's speech referring to labour and social legislation are reproduced in full below:-

"While constitutional issues naturally ~~is~~ tend to occupy the leading place in our minds at present, the consideration of these should not hamper us in pursuing reforms in other directions. The Whitley Commission, after quoting John Bright's maxim that 'the nation in every country dwells in the cottage', added that the well-being of the people must be the primary concern of every Government, whatever its composition. The same is true of every Legislature, and it is satisfactory to find on looking back that, although Legislative Assemblies have varied considerably in composition and outlook, they have all agreed in pursuing legislation designed to protect and ameliorate the condition of labour."

Payment of Wages Bill and Indian Mines Act (Amendment) Bill.- "We are at present pursuing an important programme of labour legislation, which follows the general lines suggested by the Whitley Commission, and some Bills arising directly or indirectly out of that Commission's recommendations will come up for your consideration. One of these Bills is designed mainly to prevent certain abuses relating to the payment of wages and represents a beginning for India for what is known elsewhere as 'truck legislation'. A Bill for this purpose was introduced in the preceding Assembly and circulated for opinions. After these were received a motion for Select Committee was tabled, but it was unfortunately not reached. We have used the interval in attempting ourselves to incorporate a number of changes suggested by the opinions, and thereby to facilitate further progress, and the new ~~Bill~~ Bill accordingly represents a revised edition of the old one; I commend it to your careful consideration. A second Labour Bill which has already been introduced involves a revision of the main labour provisions of the Indian Mines Act; it includes proposals for reducing maximum hours and for raising substantially the minimum age for employment in mines."

Social Legislation: Protection of Debtors.- "Two further Bills owe a certain amount of inspiration to the Whitley Commission, although they do not fall within the category of labour legislation, but have a wider aim. They both seek to amend the Civil Procedure Code in respect of the execution of decrees and they are both designed for the protection of debtors. The problem of indebtedness has been very prominently before the public in recent years, and in some Provinces bold legislative experiments are being essayed in the endeavour to alleviate what is undoubtedly a grave weakness of our economic system. Our ~~proposals~~ proposals are more modest in scope and aim at ensuring that the law cannot be invoked to enforce undue hardship on those who become embarrassed. The most important provision of one of these Bills extends protection from attachment to all salaries not exceeding Rs.100 per month, while the object of the other is to protect honest judgment debtors from imprisonment for debt."

Trade Policy: Exchange Quotas and Reconstructions.- In the Viceroy's opinion, though the recovery in India's foreign trade and improvement in railway receipts recorded last year augured well for the country's future, the full restoration of prosperity to India did not depend on India alone. He said: "So long as the natural flow of world trade is interrupted, or diverted into artificial channels, for so long will the process of recovery be retarded. It is



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unfortunate that some of the best of our customers for the raw and semi-manufactured products of India have been driven, by sheer necessity, to adopt expedients to balance their trade exchanges which a few years ago would have been unthinkable. But whatever opinion we may have of the wisdom of systems of quotas and exchange restrictions, we cannot but recognize the stern logic of facts and the practical difficulties which lie in the path to recovery. In particular, the financial embarrassments of Germany have called into being a regime of import and exchange control which may have serious repercussions on India's export trade in many important staples. This is a problem which has been receiving the most earnest consideration of the Government of India."

Review of Political Situation. - The address concluded with a review of the political situation in the course of which the Viceroy asserted that the All India Federation contemplated in the new constitution was the coping stone of British achievement in India, that the 'safeguards' inserted in the Constitution were a necessary complement, in present conditions, to responsible government, and that there was no sinister motive underlying the substitution of indirect for direct election in the Federal Legislature. In conclusion he appealed to Indian leaders "to take the new scheme as the only path likely in any period of time that we can yet foresee to bring within their reach the great ideal of an All-India Federation."

(The Statesman, 25-1-1935).

Ratifications.

India and the Draft Convention and Recommendation re. Un-Employment Insurance and Various Forms of Relief for the the Unemployed; Government Resolution Recommends Non-Ratification.

The Hon'ble Sir Frank Noyce, Member in Charge of Industries and Labour with the Government of India, has tabled the following resolution to be moved in the Legislative Assembly during its current session:-

"This Assembly, having considered the Draft Convention ensuring benefit or allowances to the involuntarily unemployed, and the Recommendation concerning unemployment insurance and various forms of relief for the unemployed, adopted by the International Labour Conference at its Eighteenth Session, recommends to the Governor General in Council that he do not ratify the Draft Convention, nor accept the Recommendation."

(Extracted from the Legislative Assembly Agenda papers issued on 2-2-1935).

India and the Draft Convention re. Regulation of Hours of Work in Automatic Sheet Glass Works; Government Resolution Recommends non-Ratification.

The Hon'ble Sir Frank Noyce, Member in Charge of the Department of Industries and Labour with the Government of India, has tabled the following resolution to be moved in the Legislative Assembly during its current session.

"This Assembly, having considered the Draft Convention for the regulation of hours of work in Automatic Sheet-glass Works adopted at the Eighteenth Session of the International Labour Conference, recommends to the Governor General in Council that he do not ratify the Draft Convention."

(Extracted from the Legislative Assembly Agenda papers issued on 2-2-1935).

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National Labour Legislation.

Indian Mines Act (Amendment) Bill — 1935.

The following is the full text of the Indian Mines Act (Amendment) Bill, 1935, introduced in the Legislative Assembly by Sir Frank Noyce on 22-1-1935:

**Bill**

Further to amend the Indian Mines Act, 1923, for certain purposes.

Whereas it is expedient further to amend the Indian Mines Act, 1923, for the purposes hereinafter appearing; It is hereby enacted as follows:-

1. This Act may be called the Indian Mines (Amendment) Act, 1935.  
Short title.

2. In section 3 of the Indian Mines Act, 1923 (hereinafter referred to as the said Act), -  
Amendment of section 3, Act IV of 1923.

(a) for clause (c) the following clause shall be substituted, namely:

"(c) 'child' means a person who has not completed his fifteenth year;"

(b) clause (cc) shall be re-lettered as clause (ccc) and before that clause as so relettered the following clause shall be inserted, namely:-

"(cc) 'day' means a period of twenty-four hours beginning at midnight;" and

(c) after clause (j) the following clause shall be inserted, namely:-

"(jj) where work of the same kind is carried out by two or more sets of workers working during different periods of the day, each of such sets is called a 'relay';".

3. For clause (c) of sub-section (1) of section 10 of the said Act the following clause shall be substituted, namely:-  
Amendment of section 10, Act IV of 1923.

"(c) three persons (none of whom shall be the Chief Inspector or an Inspector) nominated by the Local Government, of whom two shall be persons qualified to represent the interests of persons employed in mines, and chosen after consultation with the organisations, if any, representing persons employed in mines;"

4. Section 20 of the said Act shall be re-numbered as sub-section (1) of section 20 and to that section as so re-numbered the following sub-section shall be added, namely:-

Amendment of section  
20, Act IV of 1923.

" (2) The Local Government may, by notification in the local official Gazette, direct that accidents other than those specified in sub-section (1) which cause bodily injury resulting in the enforced absence from work of the person injured for a period exceeding seven days shall be entered in a register in the prescribed form or shall be subject to the provisions of sub-section (1)".

5. In section 22 of the said Act, for the word "or" the words "and shall cause every report submitted" shall be substituted.

Amendment of section  
22, Act IV of 1923.

6. In Chapter VI of the said Act, before section 23 the following sections shall be inserted, namely:-

sections 22A, 22B,  
22C and 22D in Act IV  
of 1923.

"22A. No person shall be employed in a mine on more than six days in any one week.

Weekly day of rest.

"22B. (1) A person employed above ground in a mine shall not be allowed to work for more than fifty-four hours in any week or for more than ten hours in any day.

Hours of employment  
above ground.

(2) The periods of work of any such person shall be so arranged that, along with any intervals for rest, they shall not in any day spread over more than eleven hours.

22C (1) The periods of work of a person employed below ground in a mine shall be reckoned from the time he leaves the surface to the time he returns to the surface and shall not in any day spread over more than nine hours.

Hours of employment  
below ground.

(2) No such person shall be allowed to remain below ground except during his periods of work.

(3) Where work below ground is carried on by a system of relays, the periods of work of all persons employed in the same relay shall be the same and shall be reckoned from the time the first person of the relay leaves the surface to the time the last person of the relay returns to the surface.

22D. Where a worker works in a relay whose period of work extends over midnight, the ensuing day for him shall be deemed to be the period of twenty-four hours beginning at the end of the period of work fixed for the relay, and the hours he has worked after midnight shall be counted towards the previous day."

Special provision  
for night relays.

7. For section 23 of the said Act the following section shall be substituted, namely:-  
Substitution of new section for section 23, Act IV of 1923.

"23. No person shall employ or permit to be employed in a mine any person whom he knows or has reason to believe to have already been employed in any other mine during the preceding twelve hours."  
Prohibition of employment of certain persons.

8. For section 23 A of the said Act the following section shall be substituted, namely:-  
Substitution of new section for section 23A. Act IV of 1923.

"23A. Work above ground shall not be carried on in any mine for a period exceeding eleven hours in any day except by a system of relays so arranged that not more than one relay of persons employed in work of the same kind shall be at work in the mine at the same time."  
Limitation of working hours above ground.

9. In section 23B of the said Act,-  
Amendment of section 22B, Act IV of 1923.

(a) in sub-section (1),-

(i) for the word "shifts" the word "relays" and for the word "shift" the word "relay" shall be substituted, and

(ii) after the word "relay" as so substituted the following sentence shall be inserted, namely:-

"The notice shall also state the time of the commencement and of the end of any rest intervals fixed for persons employed above ground."

(b) in sub-section (3), for the word "shift" the words "relay or in the rest intervals fixed for persons employed above ground" shall be substituted; and

(c) after sub-section (3) the following sub-section shall be inserted, namely:-

"(4) No person shall be employed in a mine otherwise than in accordance with the notice required by sub-section (1)".

10. In section 24 of the said Act, for the words figures and letter "section 23 or section 23A" the words, figures and letters "section 22A, section 22B, section 22C, section 23, section 23A or sub-section (4) of section 23B" shall be substituted.  
Amendment of section 24, Act IV of 1923.

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11. In section 25 of the said Act, for the words, figures and letter "section 23 or section 23A" the words, figures and letters "section 22A, section 22B, section 22C, section 23, section 23A, or sub-section (4) of section 23B" shall be substituted.

12. Sub-section (2) of section 28 of the said Act shall be re-numbered as sub-section (3) and for sub-section (1) of that section the following sub-sections shall be substituted, namely:-

"(1) For every mine there shall be kept in the prescribed form and place a register of all persons employed in the mine showing, in respect of each such person,-

- (a) the nature of his employment,
- (b) the periods of work fixed for him,
- (c) the rest intervals, if any, to which he is entitled,
- (d) the days of rest to which he is entitled, and
- (e) where work is carried on by a system of relays, the relay in which he works.

(2) For every mine to which the Local Government may, by general or special order, declare this sub-section to be applicable, there shall be kept in the prescribed form and place a register in which shall be entered for each day the time at which every person employed below ground in the mine leaves the surface and returns to the surface".

13. In section 30 of the said Act,-  
Amendment of section  
30, Act IV of 1923.

(a) after clause (a) the following clause shall be inserted, namely:-

"(aa) for prescribing the form of the register referred to in sub-section (2) of section 20;"

(b) in clause (e), for the words "to be more than thirteen years of age" the words "to have completed their fifteenth year" shall be substituted; and

(c) in clause (f), for the word "register" the word "registers" shall be substituted.

14. In sub-section (3) of section 31 of the said Act, after the words "British India" the words "which is, in the opinion of the Governor - General in Council, concerned with the subject dealt with by the regulation" shall be inserted.

15. Section 38 of the said Act shall be re-numbered as sub-section (1) of section 38, and  
Amendment of section  
38, Act IV of 1923.

- (a) in the said section as so re-numbered, after the word "provisions" the words, brackets and figure "of sub-section (1)" shall be inserted; and
- (b) to the said section as so re-numbered and amended the following sub-section shall be added, namely:-

"(2) Whoever in contravention of a direction made by the Local Government under sub-section (2) of section 20 fails to record in the prescribed register or to give notice of any accidental occurrence shall be punishable with fine which may extend to five hundred rupees".

16. In sub-section (1) of section 46 of the said Act, after the word "exempt" the words "either absolutely or subject to any specified conditions" shall be inserted.

#### STATEMENT OF OBJECTS AND REASONS.

Following recommendations made by the Select Committee of the Legislative Assembly on the Indian Mines (Amendment) Bill of 1928 and by the Royal Commission on Labour, both Houses of the Legislature, in dealing with a Draft Convention relating to hours in coal mines, adopted in 1928 & a resolution recommending the examination of the possibility of reducing the statutory limits of hours in mines. In pursuance of this resolution, the question has been examined by the Government of India in consultation with the Local Governments and the interests concerned; and they consider that it is desirable to reduce the statutory limits of hours in the manner proposed in the Bill.

2. The opportunity has been taken to include in the Bill certain other amendments to the Indian Mines Act. These amendments and the amendments dealing with hours are explained in the Notes on Clauses; the more important ones relate to points brought to notice by the Royal Commission on Labour.

#### NOTES ON CLAUSES.

Clause 2 raises from 13 to 15 years the minimum age for employment in a mine. The Labour Commission recommended an age of 14, but the Government of India consider that the raising of the age to 15 is desirable in view of the fact that a full adult day can be worked by all who are not "children", and they believe that the change proposed would give rise to no serious difficulty.

A definition of the word "day" has become necessary in connection with the new hours of employment provision in clause 6.

The word "shaft" is at present used in the Mines Act to

connote what is termed a "relay" in the Factories Act. The opportunity has been taken to substitute "relay" for "shift" where it occurs and to define "relay" in the terms used in the Factories Act.

Clause 3 is designed to make the representation of mine workers on Mining Boards equal to that of employers, and follows a recommendation of the Labour Commission.

Clause 4 is intended to provide for the maintenance of statistics of minor accidents the investigation of which might lead to an improvement in safety measures; it embodies, in a modified form, a recommendation of the Labour Commission.

Clause 5 is designed to make it obligatory for Local Governments to publish the reports of Courts of Inquiry, and represents a modification of a recommendation of the Labour Commission.

Clause 6:-

New section 22A.- This reproduces the provision in the existing section 23(1)(a).

New sections 22B and 22C.- The present and proposed limits of hours are as follows:-

		Present limits.	Proposed limits.
(a) Above ground	..	60 weekly 12 daily.	54 weekly. 10 daily.
(b) Below ground	a.	54 weekly 12 daily.	9 daily.

As the new section 22C also provides that the hours of work below ground shall be reckoned from the time the first worker of a relay leaves the surface to the time the last worker of the same relay returns to the surface, the average working time below ground will be substantially less than nine hours.

A spreadover of 11 hours for workers above ground has been provided in order to permit of the grant of adequate rest intervals.

New section 22D.- This is required to meet difficulties arising out of the working of relays and is based on section 46 of the Factories Act.

Clause 7.- This reproduces sub-section (2) of existing section 23.

Clause 8 removes the present restriction on the simultaneous presence underground of two relays of workers so as to enable one relay to go out as another is coming in. The proposed section 22C provides a sufficient safeguard against the danger of abuse arising through overlapping relays underground.

Clause 9 is intended to provide for the exhibition in the notice referred to in existing section 23B of the rest intervals granted to workers above ground, and to make it clear that persons can only be employed within the hours indicated by the notice.



Clases 10 and 11 contain consequential amendments.

Clause 12 adds to the existing section 28 the requirement that particulars of rest intervals should be entered in the register, and provides for a record of persons underground, where this is necessary in the interests of safety.

Clause 13 contains consequential amendments.

Clause 14 is designed to eliminate the necessity of referring drafts of regulations to those Mining Boards which may not be concerned with the subject matter of the regulations.

Clause 15 is consequential on clause 4.

Clause 16 empowers the Governor General in Council to attach conditions to exemptions from the provisions of the Act, where necessary. At present exemptions, when granted, must be unconditional.

(Attention is invited in this connection to pages 14-16 of our December 1932 report where certain proposals of the Government of India to reduce hours of work in mines are summarised).

On 28-1-1938 the Bill was referred to a Select Committee on the motion of Sir Frank Meyce, Member in Charge of the Department of Industries and Labour. During the discussion on the motion several members urged the Government to bring the level of hours of work in Indian mines to that set up by the I.L.O. Draft Convention on Hours of work in Coal Mines and to ratify that Convention.

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National Labour Legislation.

The C.P. Adjustment and Liquidation of Industrial Workers'

Debt Bill, 1935. ✓+

(Bill No.2 of 1935)

The Central Provinces Gazette (No.1 dated 4-1-1935: Part II - pages 8-11) publishes the text of an official Bill, called the Central Provinces Adjustment and Liquidation of Industrial Workers' Debt Bill, 1935, which is to be introduced in the forthcoming session of the local Legislative Council. The following is the Statement of Objects and Reasons appended to the Bill:

In connection with indebtedness among industrial workers the Royal Commission on Labour recommended special legislation providing a summary procedure for the liquidation of workers' unsecured debts, and indicated the lines on which such a measure should be framed (see vide pages 233-234 of the Whitley Report). The object of this Bill is to give effect to this recommendation. Its general form resembles that of the Provincial Insolvency Act, but there are special provisions for the scaling down of debts, limitation of total liability to the assets plus the amount payable from the income within three years after allowing for the maintenance of the worker and his dependants and wider discretion to the courts in determining priority of debts for the distribution of assets and surplus income. The Bill is an enabling measure, and the relief it contemplates is restricted to industrial workers whose average monthly income does not exceed Rs.60.

The ~~xi~~ salient features of the Bill are as follows:

Liquidation Petition.- Any industrial worker may present a petition for the liquidation of his debts if his debts exceed the amount of the value of his assets and three times his average <sup>monthly</sup> income. This petition should contain in addition to particulars regarding his income and assets those regarding his liabilities.

Restraint on Arrests.- A creditor, who has received notice of a liquidation petition presented by an industrial worker, shall not be entitled, from the date of the service of such notice, to apply to any court for the arrest of the petitioner in any suit or proceeding for the recovery of any debt proposed to be liquidated under the petition and if such petitioner has been under arrest or imprisonment in execution of the decree of any court, the court

making the order admitting the petition shall notwithstanding anything contained in any other enactment for the time being in force, order his release on such terms as to security as may be reasonable and necessary.

Adjudication Order.- If the Court is convinced of the inability of the petitioner to repay his debts, it shall make an order of adjudication whereby the whole of the assets of the petitioner shall vest in the court or in a receiver and thereafter no creditor, to whom the petitioner is indebted in respect of any debt adjustable under this Act shall have any remedy against the assets of such petitioner in respect of his debt or commence any suit or other legal proceedings except with the leave of the court and on such terms as it may impose.

Encumbered Industrial Worker.- All debts, except those incapable of being fairly estimated or demands in the nature of unliquidated damages, shall be adjustable under this Act.

The court next determines the petitioner's debts and (1) if the adjusted debts do not exceed the assets, the petitioner is discharged and after discharge no sum shall be recoverable in any court in respect of his debts except the adjusted debts. (2) If the total adjusted debts of a petitioner exceed the sum of his assets and the surplus, the court shall issue a declaration that the petitioner is an encumbered industrial worker. (\* "Surplus" means, in the case of industrial worker having:- (a) no dependant, twelve times his average income, (b) one dependant, nine times his average income, and (c) more than one dependant, six times his average income.) In this case the court realises the assets of the encumbered industrial worker and makes over the proceeds to the creditor.

No debt incurred by any industrial worker, while he is an encumbered industrial worker, shall be recoverable in any court.

The Bombay Trade Disputes Conciliation Rules, 1934. ✓

At pages 19-28 of our October 1934 <sup>Report</sup> was given the full text of the Bombay Trade Disputes Conciliation Act, 1934. The following is the text of the Rules made under the Act.

1. Short Title.- These rules may be called the Bombay Trade Disputes Conciliation Rules, 1934.

2. Definitions.- In these rules, unless there is anything repugnant in the subject or context,

- (a) "Act" means the Bombay Trade Disputes Conciliation Act, 1934.
- (b) "Section" means a section of the Act.

3. Form and Manner of giving Notice under section 8. The notice under section 8 shall be given in Form A\* appended to these rules and shall be served in the following manner:-

- (a) Where a registered company is a party to a trade dispute, the notice shall be sent to the managing agent or the managing director of the company at the registered office of the company;
- ~~(b)~~ Provided that when such company has, before the issue of the notice, intimated in writing to the Chief Conciliator that the notice under this section should be served on some other officer in British India of such company, the notice shall be sent to such officer at such address as may be specified in the intimation.
- (b) Where members of a registered trade union are a party to a trade dispute, the notice shall be sent to the registered office of the trade union.
- (c) Where an owner, Manager or occupier of an industrial establishment is a party to a trade dispute the notice shall be sent by registered post addressed to him at such establishment.
- (d) Where workmen who are not members of a registered trade union, and who have not made an application under clause (a) of section 7, are a party to a trade dispute, the notice shall be served on the Labour Officer, who shall communicate its contents to the workmen in such manner as seems best to him in the circumstances of each case.
- (e) Except in cases provided in clauses (a) to (d), notice shall be sent by registered post to the address given by a party to a trade dispute in his application under clause (a) of section 7.

4. ~~(a)~~ Intimation of authorisation of an Officer by a Company.

(a) Where an employer is a company registered under the Indian Companies Act, 1913, the managing agent or the managing director of such company may give written intimation to the Chief Conciliator that the company has authorized some other officer of the company residing in British India to represent it for the purposes of sub-section (3) of section 9.

(b) Such intimation shall contain the name, address and occupation of the officer authorised to represent the company.

(c) Such intimation shall be given to the Chief Conciliator at any time not later than twenty-four hours after notice under section 8 is given to such employer.

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\* Forms A & B are not reproduced in this report.

5. Expenses of witnesses.- (1) Expenses reasonably incurred by any person summoned to give evidence or produce a document before the Conciliator may be allowed by the ~~summarist~~ Conciliator to such person according to the scale prescribed for witnesses summoned to give evidence in the Court of the Presidency Small Causes, Bombay.

(2) Any party to a trade dispute applying for the issue of a summons to any person required to give evidence or produce document before the Conciliator shall, within a period to be fixed by the Conciliator and before a summons is issued, deposit with the Conciliator such sum of money as would, in the opinion of the Conciliator, be sufficient for the purpose of defraying the expenses of the person summoned.

(3) The expenses allowed in the case of a person summoned by the Conciliator on his own motion or at the request of the Labour Officer shall be borne by Government.

6. Manner of maintaining record of conciliation proceedings and settlement.- The records of conciliation proceedings shall be maintained in Form B appended to these rules.

(\*Forms A & B are not reproduced in this report).

(Reproduced from pages 80-81 of Part I of Bombay Government Gazette dated 17-1-1935).

Conditions of Labour.

Conditions of Work on Indian Railways, 1933-34.\* ✓ +

As in previous years, the Railway Board's annual Report on Indian Railways for the year 1933-34 is published in two volumes. Volume I reviews the general administration, financial results of the working of railways, important developments occurring during the year, and various aspects connected with railway management and operation. Volume II is a compilation of financial and statistical summaries and statements covering the main heads of the capital and revenue accounts and exhibiting statistics connected with the various aspects of railway working.

Earnings of Railways. - The year under review was the first year to show some signs of recovery from the depression into which Indian Railways in common with the railways of the rest of the world had fallen, the year 1932-33 having, ~~as was~~ ~~before~~ witnessed the trough of the depression. The gross receipts of State-owned railways amounted to <sup>Rs.</sup>866.3 millions or nearly <sup>Rs.</sup>22.0 millions more than in the previous year. The net loss from the working of the State-owned railways decreased from Rs. 77million to Rs. 62 millions. No contribution to the general revenues was made during the year as in the two previous years. The earnings from passenger traffic on all railways, both State-owned and others, decreased from Rs. 313 millions to Rs. 301 millions, while the earnings from goods carried increased from Rs. 552 millions to Rs. 597 millions.

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\* Government of India, Railway Department (Railway Board) Report by the Railway Board on Indian Railways for 1933-34- Vol.I - Manager of Publications, Delhi. 1934. - pp.114.

The total earnings of all railways, including those with which the Government of India is not directly concerned, amounted to Rs. 995.8 millions, of which <sup>Rs.</sup> 615.8 millions or 61.9 per cent were from goods traffic, Rs. ~~301.1~~ <sup>301.1</sup> millions or 30.2 per cent from passenger traffic and Rs. 78.9 millions or 7.9 per cent from parcels, luggage and other miscellaneous items.

Number of Staff.- The total number of employees on all Indian Railways and in the office of the Railway Board and other offices subordinate thereto (excluding staff employed on construction) at the end of the year 1933-34 was 701,362 as compared with 710,512 at the end of 1932-33. The total route mileage at the end of the year was 42,953. The following table shows the number of employees by communities on the 31st March 1933 and 1934.

Euro-peans.	Indians.					Total Indians	Grand Total.
	Hindus.	Muslims.	Anglo-Indians & domiciled Euro-peans.	Sikhs. Other Classes.	Indian		
. 4,314*	504,282*	153,089*	13,089*	35,738*		706,198*	710,512*
. 3,906	497,505	151,625	12,844	<del>35,539</del> 35,482		697,456	701,362

\*Represents revised figures due to minor corrections made in the figures published last year.

Cost of Staff.- The total number of staff on open line on 31st March 1934 was less by 10,734 than on 31st March 1933, while the total number of staff on construction was less by 2,615 and the staff on loan from the Indian Audit and Accounts Service was less by 7. The increase in the total cost of staff including staff on loan from the Indian Audit and Accounts Service during the year 1933-34 as compared with the preceding year was Rs. 2,532,577 the cost of this year being Rs. 346,465,007. The increase in the cost of staff on the Bombay Baroda and Central India, Madras and Southern Mahratta and North Western Railways is due to the partial restoration of the wage cut.

Recruitment: Indianisation. (1) State-Managed Railways. - During the year no appointments were made in the gazetted ranks on State-managed railways, mainly on account of financial stringency and excess of officers in certain departments in consequence of abolition of a number of posts during the years 1931-32 and 1932-33.

Company-Managed Railways.- During the year under review the total number of appointments made in the superior service on Company-managed Railways was 27 of which 11 went to Europeans and 16 to Indians, of whom 10 were Hindus, 4 Muslims, 1 Indian Christian and 2 other classes, one appointment of an Anglo-Indian was reduced. The net total number of vacancies filled, permanent or temporary, was 27 of which 11 went to Europeans. The total actual appointments filled by Indians were 16, of which 10 were Hindus, 4 Muslims, 1 Indian Christian and 1 of other classes. The ratio of Indian to European recruitment was 59.3 to 40.7 in respect of permanent appointments and 59.3 to 40.7 in respect of all appointments, whether permanent or temporary.

Review of Progress Since 1925.- The Indian element in the superior services has risen from 28.02 per cent on State-managed and 17.74 per cent on Company-managed Railways in 1925 to 41.25 per cent on State-managed and 33.21 per cent on Company-managed Railways in 1934 by a corresponding reduction in the European element.

Training of Staff.- As stated in the report for the last year, the question of the most suitable method of training of officers and probationers consequent upon the closing of the Railway Staff College, Dehra Dun, had been engaging the attention of the Railway Board. A little after the close of the year under review, the Railway Board addressed the State-managed Railways on the subject asking them to draw up a programme of lectures in order to afford a basis for imparting to probationary officers a sound theoretical knowledge of their work and to submit a report on the action taken by them in this matter. On the receipt of these reports, the Railway Board will, if necessary, consider the question further.

Improvement in Service Conditions of Staff: Hours of Employment Regulations.- The question of the application of the Hours of Employment Regulations to the Burma and the Company-managed railways continued to engage the attention of the Railway Board during the period under review and the position was examined early in February 1934, when it was decided that the extension of these regulations to railways on which they have not so far been made applicable, should, in view of the continued unsatisfactory financial position, be deferred for at least another year. While communicating this decision, these railway administrations were asked to continue to apply the provisions of the regulations where this could be done without incurring material additional expenditure. At the same time the Agents of the Madras and Southern Mahratta and Bombay, Baroda and Central India Railways were asked for their views on the possibility of introducing the Hours of Employment Regulations on their systems from the 1st April 1935 together with a detailed statement of the cost, both capital and recurring,



which they considered would be involved under present conditions of traffic. The question of extending the application of the Hours of Employment Regulations to these two railways is being further considered by the Railway Board in the light of the replies which have been received.

Welfare: Staff-Benefit Fund.- The Staff Benefit Funds which have been established on all State-managed and Company-managed Railways continued to function during the period under review. The reports received from these railways indicate that the establishment of these funds has contributed usefully towards providing amenities and affording certain forms of relief to the staff.

Recommendations of the Whitley Commission.- Those recommendations of the Royal Commission on Labour affecting railways which have not hitherto been disposed of continued to engage the attention of the Railway Board who came to certain provisional conclusions which were referred to the Agents of principal railways for the expression of their views. The recommendations of the Agents of railway administrations are under consideration.

Security of Service:- Rules regarding the discharge and dismissal of State Railway non-gazetted Government servants. -This subject was last referred to in the Report by the Railway Board on Indian Railways for the year 1929-30, in which the circumstances leading to the issue of the present rules, in November 1929, were explained. Subsequently, in March 1930, the All-India Railwaymen's Federation addressed the Railway Board and made certain suggestions for the amendment of those rules. After consideration of the suggestions, in consultation with the Agents of State-managed Railways, the Railway Board, in addition to certain minor amendments, extended the application of the rules relating to discharge to temporary non-gazetted staff borne on the non-pensionable establishment, provided that they had completed 3 years' continuous service, while the rules relating to dismissal were similarly extended to temporary staff who had not completed 3 years' continuous service. Provision was also made in the rules to cover cases of inefficiency, whether due to incompetency, insolvency, physical unfitness or any other cause, so that leave may be given to an employee up to the amount admissible as may be decided by the sanctioning authority prior to discharge and that during such leave every effort may be made to find other suitable employment for him.

During the year under review the Railway Board, decided to extend the right of appeal against discharge from service in respect of the following categories of staff:-

- (i) Labourers employed in a State Railway Workshop or any other branch of State Railway service with less than 3 years' continuous service: and
- (ii) temporary non-gazetted employees borne on a non-pensionable establishment of a State Railway or in other offices under the administrative control of the Railway

~~Board~~ Board or of the Financial Commissioner of Railways with less than 3 years' continuous service.

Moreover State-managed Railways were asked to submit reports on the working of the rules regulating the discharge and dismissal of State Railway non-gazetted Government servants and to furnish their recommendations in regard to certain proposals which the Board have had under contemplation for the amendment of these rules in connection with the recommendations of the Royal Commission on Labour. This matter is at present under the consideration of the Railway Board.

Staff Retrenchment.- As adumbrated by the Hon'ble Member for Commerce and Railways and the Chief Commissioner of Railways in their speeches in introducing the Railway Budgets for 1934-35, no block retrenchments of any magnitude were effected on railways during the period under review though minor measures of retrenchment continued in connection with the "Job-analysis" investigations that are being conducted on principal railways. It was mentioned in the last year's report that an emergency reduction in pay, not exceeding 5 per cent, would apply during 1933-34 in respect of all Government servants including those of the Railway Department. It was decided during the year under review to continue this emergency reduction in pay during the year 1934-35. The Company-managed Railways adopted the same procedure.

(The Report of the Railway Board for the year 1932-33 was reviewed at pages 17-22 of our April 1934 report).

Liability under the Workmen's Compensation Act for

Injuries arising out of Earth-quake:Employers

Demand Legislation Declaring Non-liability. ✓

Early in 1934 the associated Chambers of Commerce of India sent a circular letter to the various industrial associations in India drawing their attention to a decision of the Privy Council, arising out of the earthquake at Hawkes Bay, New Zealand, in February 1931, by which employers have been held liable to pay compensation under the Workmen's Compensation Act in respect of

death or injuries from this cause sustained by workmen whilst engaged in the course of their employers' business. As the wording of the Indian Workmen's Compensation Act in respect to personal injury by accident arising out of, and in the course of, employment is identical with that of the New Zealand Act, it is assumed that the Privy Council decision would be held to apply equally to claims of a similar nature arising under the Indian Act. In fact, in connection with claims arising out of the recent earthquake in Bengal and North Bihar, the Commissioner for Workmen's Compensation, Bengal, has held that this decision so applies. It is being contended by the Associated Chambers of Commerce that this decision goes beyond the intention of the Indian legislature in that, in effect, employers are liable for injuries arising out of a risk which is shared by all members of the community and is not peculiar to any particular class or classes of employment. It was suggested that the Associated Chambers should impress upon the Government of India the urgent necessity for legislation to make it clear that accidents caused by or arising out of earthquake or other convulsions or forces of nature, unless it can be proved that the nature of the employment itself involved some special exposure to such risks and that the accident arose out of such special exposure, are definitely excluded from the operation of the Workmen's Compensation Act.

It is now understood that the Associated Chambers of Commerce has, in consultation with many industrial associations of the country made a representation to the Government of India on the above lines in a letter dated 20-10-1934.

(Abstract of Proceedings of the Bengal Chamber of Commerce during Sept. & Oct. 1934)

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Madras Labour Department and the Depressed Classes, 1933-34.

The following details regarding the work of the Madras Labour Department for the uplift of the depressed classes are taken from the Administration Report for 1933-34 submitted to the Government of Madras by the Commissioner of Labour, Madras. The work for the amelioration of the condition of the depressed classes was placed directly under the Collectors of districts from the commencement of the year under report and the powers exercised by the Commissioner of Labour in respect of the various measures for the uplift of the depressed classes were delegated to Collectors. During the year there were District Labour Officers in fourteen districts. The limitations of finance, which led to <sup>e</sup>grat curtailment of the activities of this department for the betterment of the depressed classes during the years 1931-32 and 1932-33 continued during the year under report and therefore ameliorative activities for the depressed classes continued only on a restricted scale, the expenditure being limited to the maintenance of the institutions which were brought into existence in previous years and to measures which were considered urgent. The ameliorative work for the depressed classes was carried out as usual under the following heads:-

- (1) Provision of house-sites.
- (2) Opening of schools, granting of scholarships, stipends, boarding grants, etc.
- (3) Provision of wells, tanks, etc., for the supply of drinking water.

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\*Government of Madras - Public Works and Labour Department, G.O. No.2741 L., 14th December 1934 - Labour Department Administration Report, 1933-34. - pp. 2+29.

- 35
- (4) Provision of sanitary amenities, such as, pathways, burial grounds, etc.
  - (5) Assignment of land for cultivation.

House-Sites.- The need for the provision of house-sites for the depressed classes arises either on account of the congestion in the cheris in which they live or on account of the precarious tenure of sites on which their homes are located. The usual methods adopted for the provision of house-sites for the depressed classes are: (i) assignment of waste or poramboke land at the disposal of Government; (ii) acquisition of lands from private owners. In the former case the sites are assigned free of initial value. In the latter case the assignment is subject to the recovery of the cost in easy instalments from the depressed class assignees. As the financial position of Government continued to be unsatisfactory the advance of loans for the acquisition of house-sites was stopped during the year, as in the last two years. In cases in which the applicants for house-sites paid the entire cost of acquisition in advance, acquisition proceedings were instituted. 2,082 house-sites of the total extent of 212.59 acres were provided during the year under the method of free assignment of government lands, bringing the total number of house-sites assigned in this manner since the commencement of special activities to 33,736. An area of 10.34 acres providing <sup>91</sup>177 sites was acquired and assigned to the depressed classes at a cost of Rs. 4,188. The total number of house-sites provided by this method since the commencement of operations was, at the end of the year, 38,126.

Education.- The work of the Labour Department for the spread of education among the depressed classes was continued on the usual lines. The main items of work done in this direction

are:- (1) The maintenance of separate schools for imparting elementary education to the pupils of the depressed classes. (2) The grant of scholarships and boarding grants to depressed class pupils. (3) The grant of stipends for the training of teachers. (4) The maintenance in important centres, at the cost of this department, of hostels for the benefit of depressed class students. (5) The grant of funds to private philanthropic bodies engaged in the amelioration of the condition of the depressed classes by maintaining schools, hostels, etc., for their benefit. There were 889 labour schools at the beginning of the year. 112 schools were newly started and 20 schools were closed during the year. There were ~~889~~ <sup>thus 981</sup> ~~labour~~ <sup>end</sup> schools at the beginning of the year. 984 of these were day schools, 16 were night schools and the rest were combined day and night schools. 28,002 pupils comprising 30,593 boys and 7,409 girls studied in these schools. The schools employed 1,233 teachers, of whom, 1,228 or 99 per cent were trained teachers. Nineteen school sheds were newly constructed and 72 sheds were repaired during the year at a total cost of Rs. 11,847-3-0. A good number of scholarships and stipends for depressed class students were sanctioned by the government.

(The Working of the Labour Department, Madras, during 1932-33 is reviewed at pages 22-25 of our March 1934 report).

Ahmedabad Labour Dispute

Settlement Effected by Mahatma Gandhi. ✓ +

Reference was made at pages 37-39 of our December 1934 report to the developments in the Ahmedabad Labour dispute due to the introduction from 1-1-1935 of a 54-hour week instead of a 60-hour week in factories in India and to the attempt of the <sup>Ahmedabad</sup> millowners to reduce wages proportionately. The new points at issue were referred to Mahatma Gandhi at Delhi on 10-1-1935. Mr. Kasturbhai Lalbhai, representing the millowners, and Mr. Shankarlal Banker and Mr. Gulzarilal Nanda, representing the Ahmedabad Textile Labour Association, had conferences with Mahatma Gandhi at Delhi from 11-1-1935. On 13-1-1935 an agreement covering all points in dispute was concluded. Thereupon ~~the Arbitrators,~~ Messrs. Messrs. Chamanlal G. Parekh and Manu Subedar, along with the Secretaries of both the Associations, approached the Umpire, Mr. S.S. Patkar, at Bombay, on the 16th and 17th January, and Mr. Patkar from the application submitted by the parties and the recommendations made by the Arbitrators, gave his award in terms of the settlement arrived at between the parties at Delhi. The following are the terms of agreement settled between the parties:-

1. Uniform cut of 6 $\frac{3}{4}$  per cent. The increment granted in 1930 be withdrawn and the withdrawal should take the form of a uniform reduction of ~~6 $\frac{3}{4}$ %~~ 6 $\frac{3}{4}$ % (one anna in the rupee) in the earnings of all time and piece-workers including those paid on a monthly basis. It is understood that in the case of mills where the average earnings of ~~all time~~ weavers for six months from June to December 1934 fall below Rs.43/- for a period of 26 working days or Rs. 20/- for a Hapta of 12 working days, the reduction will be so applied as not to bring

down the said earnings below Rs. 41-4-0 for 26 working days on a 10-hour basis, provided that the reduction will not apply to the said earnings below the amount of Rs. 41-4-0 or Rs.19 per hapta in view of the reduction of earnings likely to be caused by the reduction of hours.

The reduction will be made in wages in respect of any period from the 1st of January 1935 due for payment immediately after the endorsement of the Agreement by the Umpire.

1. Standardisation of Wages.- Earnest efforts should be made to standardise the wages of piece-workers as soon as possible after 1st January 1936, and such standardisation should not involve any cut or increase.

3. Automatic Adjustment of Wages.- With a view to provide for a prompt settlement of all wage questions on either side in future the parties will meet and try to evolve a scheme for automatic adjustment of wages.

4. Rationalisation.- Mills which do not adopt rationalisation under this Agreement may run for 10 hours a day entailing one hour's double work. The double work for an hour would be paid at the rate of 45 per cent.

5. The principle of rationalisation is accepted subject to the safeguards that the process of rationalisation would be carried out in such a manner as to avoid imperilling the health of the workers and avoid creating unemployment among the existing employees of Ahmedabad mills except in the directions indicated in clauses below.

Suitable machinery <sup>should</sup> be created for the proper regulation of the process.

6. Unemployment.- Unemployment incidental to rationalisation will



be confined to:-

- 1. Married women whose ~~husbands~~ husbands are benefited by the rationalisation process.
- 2. Persons whose connection with the industry is of less than a year's duration.

Any persons in the above category who are thrown out of employment in consequence of rationalisation will be given preference over new persons in filling vacancies.

7. Such of the mills as are desirous of rationalising the work in any section of the Spinning Department will be entitled to do so by granting the workers for doing double the work 45 per cent. of the wages otherwise due for such additional work, provided that for counts below 28's in warp and 32's in weft upto 18's such rates will be 47 1/2 per cent. In the case of ring-frame spinning the word 'double' means two sides.

8. The mills may proceed with rationalisation from and after 1st April 1935, provided that it may be started forthwith (that is from now) in the following cases:-

- 1. In counts above 27's ~~in~~ warp and 31's weft.
- 2. In counts above 18's in mills which start night work or where new machinery is started after 31st December 1934.

9. Restriction on Fresh Recruitment.- A scheme will be devised so that no new persons can enter the specified groups of mills till vacancies are created and for this purpose all the existing employees in such groups of mills and those whose claim to re-employment is not debarred under clause 6, will be registered before 30th June 1935. This clause will apply only to such mills as are desirous of adopting rationalisation under this agreement.

10. Machinery for Settlement of Disputes.- A joint-committee of the Millowners' Association and the Labour Union will be appointed to supervise and regulate the working of the rationalisation scheme in

the industry.

Any disputes arising in this connection which the joint-committee has not been able to settle satisfactorily shall be settled finally by Arbitration.

(Extracted from communications received in the Office from the Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad).

Commenting on the settlement, the following editorial comment is made by the Times of India in its issue dated 19-1-1935:

Ahmedabad again takes the palm for ability to settle industrial disputes without a strike. Its long and satisfactory record in this respect is enhanced by the latest agreement. Tribute must be paid in this connection to the high degree of responsibility shown by the leaders of the Ahmedabad Labour Union. Throughout, their attitude has been strictly in line with that which such officials ought to adopt. Here is an example to the rest of India. The terms of settlement embodied in the award of the umpire may prove a little complicated in working. But there is a guarantee of peaceful solutions in the pledge of both parties that disputes will be settled by the joint committee of the Ahmedabad Millowners' Association and the Labour Union and finally, if need be, by arbitration. Mr. Gandhi in a letter to the Ahmedabad mill workers, urging them to accept the settlement, refers to the need for harmonious working between capital and labour. His orthodox sentiments will be warmly welcomed, though they will certainly give offence to Congress Socialists.

(The Times of India, 19-1-1935).

*Due to misunderstandings of the terms of the Agreement, the weavers in most of the Ahmed mills struck work from 26-1-1935. According to the Stationmaster of 6-2-1935 the strike ended on 5-2-1935.*

### Indian Immigration into Ceylon:

#### Commission of Enquiry Decided on by Ceylon Government.

There has been a growing feeling since some time past in Ceylon that the Indian immigrant in the Island is an intruder whose presence operates against the economic well-being of the nationals. As a result of this, the Government of Ceylon have decided to appoint a Commission to enquire into the question of Indian immigration with the following, inter alia, as the terms of reference:-

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(a) The extent, as far as statistics and other proofs are available, of the displacement of Ceylonese in various trades and occupations by Indian immigrants.

(b) The trades and occupations in which this displacement has been most pronounced.

(c) A survey of the rate of Indian immigration since the war.

(d) An estimate of the number of such Indian immigrants who have permanently settled <sup>down</sup> in Ceylon.

(e) Proposals for preventing the displacement of Ceylonese in trades and occupations which have normally been served by Ceylonese; and

(f) Any other measures for protecting the interests of the Ceylonese wage earning classes against the competition of Indian immigrants.

(The Hindu, 16-1-35).

The Hindu, Madras, of 16-1-35 makes the following ~~ms~~ editorial comments which reflect nationalist opinion in India on the enquiry:

India can possibly have no objection to any enquiry nor to any action that Ceylon may choose to take to safeguard the interests of the people of the Island. We in this country will be content if just treatment is meted out to those who, having gone to Ceylon on the invitation of the Island, acclimated themselves to the conditions there, and promoted the country's economic advancement, are entitled to demand that Ceylon shall not forget their services nor ignore their interests. The terms of reference to the Commission seem to us, from this point of view, far too narrow. At least one aspect of the problem, in addition to those referred to above, should be enquired into. The Commission must be asked to investigate the question whether Indians have not made a substantial contribution to the economic development of the Island and thereby promoted the prosperity of the people. The economic value of an immigrant population cannot be fairly judged by conditions in a period of trade depression; and this is a consideration which we should like the Commission to take into account when they investigate the position and make recommendations to solve the Ceylonese unemployment problem.

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Bombay Trade Disputes Act Case; Appeal in High Court

Against Chief Presidency Magistrate's Judgment.

Reference was made at pages 53-54 of our August 1934 report to the prosecution launched in the Chief Presidency Magistrate's Court by the Government of Bombay, under the Trade Disputes Act against eight leaders of the Bombay textile strike which began at ~~23-4-1934~~ <sup>23-4-1934</sup>. At pages 40-43 of our October 1934 report were given the salient features of the judgment in this case pronounced by the Chief Presidency Magistrate. The magistrate held that the prosecution ~~had~~ failed to prove that the strike inflicted severe, general, and prolonged hardship on the community and so acquitted all the accused. The Government of Bombay filed an appeal against the judgment of the Magistrate in the High Court which admitted the appeals on 8-1-1935.

Grounds of Appeal.- Among the grounds of appeal were that the lower court had erred in holding that the contending parties to the strike could not be said to be "the community" of India, and that the Court put so narrow a construction on the words "the community" that if ~~it~~ it was correct, the Act could not be worked in actual practice and would be a "dead letter". Even if the city of Bombay was alone taken into consideration, the lower court had failed to note that the prosperity of the city as a whole and of "the community" was very largely dependent on the proper working of the textile trade.

Danger to Public Tranquility.- The strike involved danger to public health and tranquility, and the hardship thus caused would

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have been incalculably enhanced if the all-India strike had materialised according to the declarations, and expectations of the Textile conference (vide pages 48-49 of our January 1934 report), as also of the accused in their speeches, and had continued for a long period of time. The lower court also failed to note that on the textile industry depended a large number of other trades and industries in the city and outside it, and ~~it~~ that it was too well-known a fact that a strike of the dimensions of the all-India strike must lead to lawlessness and severe, general and prolonged hardship to "the community".

It was not argued in the lower court that 400,000 of textile workers formed the whole community. The observation that they could not be said to be "the community" because the population of India was 350 millions was, it was submitted, fallacious.

(The Times of India, 9-1-1935).

Quarterly Strike Statistics for the Period

Ending 30-9-1934. +

According to the statistics of industrial disputes in British India for the 3rd quarter of 1934 ending 30-9-1934, published by the Department of Industries and Labour of the Government of India, there were 33 disputes during the period involving 24,664 workers and entailing a loss of 240,608 working days. As usual the largest number of disputes occurred in Bombay Presidency, where 20 disputes involving 11,281 workers entailed a loss of 46,842 working days. Next comes Madras with 4 disputes involving 1,564 workers and—

and entailing a loss of 14,376 working days; Bengal, Bihar and Orissa and Burma with 2 disputes each involving 317, 1,548 and 1,974 workers, respectively, entailing losses of 1,535, 7,596 and 46,968 working days respectively, and Assam, the Central Provinces and the Panjab with 1 dispute each involving 400, 7,000 and 580 workers respectively and entailing losses of 400, 120,500 and 2,391 working days respectively.

Classified according to industries, cotton and woollen mills were responsible for 22 disputes which involved 20,498 workers and entailed a loss of 216,159 working days and jute mills for 2 disputes involving 725 workers and entailing a loss of 9,200 working days. Other industries were responsible for 9 disputes which involved 3,441 workers and entailed a loss of 15,249 working days.

Of the 33 disputes during the period under review, 16 were due to wage questions, 5 to personnel, 3 to leave and hours and 9 to other causes. In 4 disputes the workers were successful, in 4 partially successful and in 21 unsuccessful. 4 disputes were in progress at the end of the period under reports.

(Strike Statistics for the second quarter of 1934 are given at pages 30-31 of the October 1934 report of this Office). †

Leave with Pay for P.W.D. Workers, Madras:

Satisfactory Settlement of Dispute. ✓+

The following details about the settlement of a long standing controversy between the P.W.D. Workers' union, Madras, and the authorities of the Public Works Department on the question of leave with pay are taken from a communication dated 26-1-1935 <sup>to this office</sup> on the subject forwarded by the President of the Union. :-

Conditions governing Annual Leave of 10 days. - The controversy between the P.W.D. Workers' Union, Madras, and the authorities of the Public Works Department, Madras, regarding the severe restrictions hedging the 10 days' annual leave sanctioned to the workers of the P.W.D. workshop early in 1930 has now closed with the final orders of the Government communicated by them to the President of the Union <sup>on 25-1-1936</sup> yesterday. The leave was sanctioned in 1930 by the Government as a result of the Union's efforts. But the following conditions were imposed on the workers for enjoying the leave.

I. Signing of a service Agreement accepting the authority of the appointing officer to dismiss a worker for any reason which might appear to him sufficient and similar other humiliating conditions.

II. Non-participation in *labour* strikes.

III. Three full years of continuous service without a break excepting on leave for ill-health not exceeding one month; and "presence on all the working days of the previous year, except those on which leave was granted for unavoidable causes, such as, sickness or ~~xxxx~~ serious domestic trouble".

IV. That the worker has not been fined more than 4 times for late attendance in the year and not more than two times for negligence or slackness in work.

Protest by Union. - The Union protested against these severe conditions which would shut out almost all the workers from the

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leave privilege, and put itself in touch with the officers of the Department.

Meanwhile, under the advice of the Union, the workers unanimously declined to execute the Service Agreement and preferred to forego the concession till the conditions were cancelled. Official calculations revealed that only 18 workers survived these conditions and were eligible for the leave, as all the rest had been absent for more than 30 days in the previous three years. After many representations by the Union and prolonged negotiations, most of the conditions were cancelled by the Government and notably the service Agreement about which the workers felt strongly, as also THE clause regarding non-participation in Labour strikes. The latter condition was revised as "non-participation in Labour strikes which are illegal." The notice period for termination of service was increased from 7 days to 15 days. The other clauses remained, however, which admitted the leave being given to only 18 men in the whole workshop.

Men's Demands met.- Further negotiations of the Union with the authorities of the Department have resulted in the Government's order<sup>s</sup> of 23rd January 1935 which have further revised the original orders and made the leave available to all workmen with 3 years service. It has been laid down that absence with permission up to six months in a calendar year will not disqualify any worker for the leave. The condition regarding absence for not more than 30 days in the previous 3 years has been dropped.

Plea for 15 days' leave with pay.- At a meeting of the P.W.D. Workers' Union, held on 25-1-1935, a resolution was passed thanking the Government for having kindly appreciated the workers' point of view and requesting permission to accumulate the leave and also to increase it to 15 days in a year in conformity with the practice with regard to other Government servants.



Relief to Indigent Labourers:

A New Goa Enactment.

The Government of Goa, a Portuguese possession in India, have recently passed a Bill called "Assistencia aos Indigentese a Infancia Desvalida de Goa", providing a grant of subsidy to the indigent and invalid class of labourers of either sex between 16 and 65 years of age. The benefits of this Act are understood to be applicable not only to the poor classes of workers chiefly engaged in agricultural and mechanical pursuits, but also for maternity purposes. The funds required to work the scheme are to be provided out of the proceeds of the rice sur-tax. The rice surtax being of a provisional character it is inferred that the dole may also be regarded as provisional.

With a view to putting the scheme into execution, the Government has ~~now~~ appointed boards in every village, entrusted with the preparation and submission, within three months, of a roll of such persons as may fall within the operations of the Act.

(The Times of India, 19-1-1935).

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Workers' Organisations.

Trade Union Movement in the Punjab, 1933-34.\* +

According to the report on the working of the Indian Trade Unions Act in the Punjab during 1933-34, the year was not marked by any phenomenal activity in the domain of trade unionism.

Number of Registered Unions.- The total number of unions, including three federations, at the close of the year was 31, as against 30 at the close of the year 1932-33. Six new unions were registered during the year as compared with nine during the previous year. 5 unions were removed from the register during the year under report.

Membership and Finances of Unions.-Of the 28 unions and three federations complete annual returns in the prescribed form have not been submitted by six. Without taking into account the unions from whom returns have not been received, the total number of members of the remaining 24 unions stood at 22,053 as compared with 21,863 for 21 unions in 1932-33. As regards federations, the total number of unions affiliated to them was 58 at the end of the year, as compared with 55 in 1932-33. Out of a total of 58 unions, 33 were affiliated to the Punjab Labour Board, Lahore.

The opening balance of 24 unions from which full returns were received during the year was Rs.2,157. The income during the year was Rs.18,292, the expenditure Rs. 15,358 and the closing balance Rs. 5,090.

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\* Report on the working of the Indian Trade Unions Act, 1926, in Punjab, during the year 1933-34. - Lahore: Supdt., Government Printing, Punjab, 1934. - Price Re.0-12-0 or 1s.2d. - pp.8

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During the year under report the average income per union increased from Rs. 580 in 1932-33 to Rs.762 during the year under report, the average expenditure from Rs. 528 to Rs. 639 and the closing balance from Rs. 108 to Rs. 212½. 13 of the unions had practically no income, while six had an income ranging between Rs. 40 to Rs. 250 . There were only two unions, viz., North-Western Railway Union, Lahore, and the Kangra Motor Union, Pathankot, which had an income running into four figures. As regards federations, the income during the year amounted to Rs. 681 and expenditure to Rs.694-0-3. There was a slight increase in expenditure ~~in~~ over income. The financial position of the Punjab Labour Board, Lahore, shows some improvement.

Political Funds and Appeals.- The report states that the Punjab Labour Board, Lahore, contributed Rs. 150 to the political fund during the year under report. There was no appeal preferred against the orders of the Registrar.

Action on Whitley Recommendations.- Acting on the advice of the Government of India on the recommendation of the Royal Commission on Labour that the facility of a free audit of the accounts of registered trade unions should be provided at Government expense, the Punjab Government extended this privilege to trade unions registered under the Act in the Punjab. The provision of this facility was notified in the press as well as by a circular letter to the Secretaries of the trade unions. 9 unions expressed their desire to take advantage of the offer of free audit. <sup>These were informed that</sup> ~~But~~ a free audit involved the selection of auditors by Government, and <sup>that</sup> the unions which did not desire to submit their accounts to an auditor appointed by Government should continue to make their own arrangements under the existing

rules. So there were only two unions, viz., the Kangra Motor Union, Pathankot, and the Lahore Press Workers' Union, Lahore, whose accounts were actually audited by the auditors appointed by Government.

(The report on the working of the Indian Trade Unions Act in the Punjab during 1932-33 is reviewed at pages 38-40 of our January 1934 report).

Conferences of Field Labourers of U.P.  
and Tamil Districts of Madras.

Recently two conferences of field workers have been held in India, one of the Tamil Districts (Madras) Field Labourers at Shiyali on 28-12-1934 and the other of the United Provinces Field Labourers at Meerut on 8-1-1935.

The Madras Conference was presided over by Mr. Narayana Nallapa who expressed grave apprehensions about the impending constitutional reforms in so far as the position of poor, illiterate and unorganised labourers were concerned. They were tyrannised even now by the landed proprietors. It was therefore easy to picture what their position would be when their oppressors got more power. Unless the rank and the file realised this danger and consolidated their position, their future would be an anxious one.

Resolutions were passed at the conference demanding special reservation of seats for agricultural labour in the future Legislatures and in local bodies; abolition of distinction between caste Hindus, Christian or Harijans in granting privileges; the setting up

of Arbitration Boards in every district to settle labour disputes; ~~the~~ <sup>the</sup> appointment by Government of a committee to enquire into the problem of unemployment among agricultural labour ; grant of special facilities in the acquisition of lands for social and religious purposes.

(The Statesman, 3-1-1935)

Similar views were expressed at the U.P.conference .

(The Times of India, 11-1-1935)

Congress Socialists: Objects, Ideals and Programme of Party Explained.

At pages 44-46 of our May 1934 report and at pages 58-63 of October 1934 report were given the texts of resolutions, passed by the Congress Socialist Party at Conferences of the Party held at Patna on 17-5-1934 and at Bombay on 21 & 22-10-1934 respectively, defining the objects, ideals and programme of the Party. The Labour Sub-Committee of the Party has recently issued a statement explaining the objects and ideals of the Party and expressing its views on matters of labour interest. The full text of the statement is given below:-

Objects of a Labour Movement.- In the opinion of the Labour Sub-Committee of the Party, the objects of a Labour Movement are twofold: The first and immediate object is to protect the rights and interests of the workers and to fight for a progressive improvement in their condition. The second and ultimate object is to end the system of capitalist exploitation and to establish a Socialist society.

With regard to both these objects the position of the All India Congress Socialist Party is clear. The Party stands for the rights and interests of the workers and it shall always fight for their cause. The Party has formulated the following demands of

the workers of India for the immediate fulfilment of which it proposes to fight along with other Labour organisations:- (1) Freedom of Labour from serfdom and conditions bordering on serfdom. (2) The right to form unions, to strike and to picket. (3) Compulsory recognition of unions by employers. (4) A living wage, a 40-hour week and healthy quarters and conditions of work. (5) Insurance against unemployment, sickness, accident, old-age etc. (6) One month's leave every year with full pay to all workers and two months' leave with full pay to women workers during maternity. (7) Prohibition against employment of children of school-going age in factories, and of women and children under sixteen, underground. (8) Equal wages for equal work. (9) Weekly payment of wages whenever demanded. (10) Liquidation of debts owed by workers.

As for the ultimate object, the establishment of a socialist society in India is the declared object of the Party. Further, in order not to leave any ambiguity about the character of a socialist society, the Party has clearly laid down the basic principles on which such a society must be founded. These principles include the transference of power to the producing masses; the elimination of all classes of exploiters without compensation; the socialisation of the means of production, distribution and exchange; and the encouragement of co-operative and collective farming. It is hardly possible to define the fundamental principles of socialism more clearly than the Party has done.

Indian Labour and Imperialism.— In the peculiar conditions of India, the workers have the added task of ridding themselves and the country of Imperialism. This is a task which has to be carried out not by the worker alone, who by themselves would be powerless, but all the anti-imperialist forces in the country, such as the peasants and the lower middle classes. The workers cannot isolate themselves, as they have largely done so far, from the movement of national liberation. They, in fact, ought to lead it, as indeed they are destined to. The Congress Socialist Party, by its programme and policy, is endeavouring to build up a real anti-Imperialist movement in the country and, as far as the task of national revolution is concerned, the workers must join the Party and pull their due weight in it.

Labour and Trade Unions.— For the fulfilment of the object of the Labour Movement it is essential that there should be a strong Trade Union Movement. The Sub-Committee holds that Trade Unions are industrial organisations of the workers, the primary object of which is to consolidate the forces of labour against those of capital in order to safeguard the rights and interests of workers and fight collectively, and therefore more effectively, for their demands. While a Trade Union must include as an essential element of its creed the establishment of socialism, it is not a political organisation of the workers. Therefore, in the view of the Sub-Committee, it would be a mistake for a Trade Union to tie itself to any political group or party. Particularly is this true when there is not, as in India, a political party which claims the allegiance of the greater number of the workers. Granted the basic objects of Trade Unionism, therefore, there must be full freedom for all such political groups as accept those objects

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to work in the Trade Union Movement. Any Union which closes its doors to a political group on political grounds is, in the view of the Sub-Committee, guilty of sectarianism and is creating dissensions in the movement.

The Sub-Committee considers that one of the main reasons for the weakness and disunity of the Indian Trade Union Movement has been political sectarianism, narrowness and heresy-hunting. There has been the unfortunate practice followed by different groups of labour leaders to attack one another as "enemies of labour" on the slightest difference of opinion and to use all means of expelling one another from the Movement. If the object of these tactics was the gaining of exclusive or dominant influence over the workers, experience has shown that the tactics have woefully failed. It should have indeed been clear from the very beginning that the proper and only method of converting the workers to a particular point of view was not to roundly attack and denounce all those who disagreed with that view but to work patiently and perseveringly for the workers' cause, — both in the industrial and the political fields. This aspect has unfortunately been over-looked by the parties that have striven in the past few years ~~to win the past few years~~ to win the affections of Indian labourer.

It is often argued that under the conditions of colonial exploitation it is not possible to have in this country a strong Trade Union Movement. Surely, while it may be convenient to lay the entire blame for the present state of the Indian Movement at the door of Imperialism, it is hardly political honesty to do so. Let us face the problem and admit our mistakes. Then only can we make a better beginning.

Goondaism.—The Sub-Committee also desires to raise its voice against what it would term "goondaism" in the Movement which masquerades as militancy. There have been in the past some rather disgraceful clashes of opposing labour groups in which knives and other weapons have been used. The Committee strongly feels that in any Trade Union Movement there is no room at all for such acts of rowdyism. Let us have militancy by all means, but not to serve the purposes of groups and factions but to be used against the common enemy.

Trade Union Policy.— While admitting the right of any group of people, no matter of what political convictions, to work in the Trade Union Movement, the Committee firmly believes that this movement must be based on the theory of class struggle. The Committee believes that the interests of labour and capital are not reconcilable and that unless capitalism is overthrown and replaced by socialism the full fruits of labour would not be available to the workers, nor would exploitation, injustice and poverty be removed from Society.

Trade Union Unity.— The Sub-Committee believes that in the interests of the Indian workers it is absolutely necessary that there should be a united Trade Union Movement in the country. The Party strongly advocates merging of the All India Trades Union Congress, the National Federation of Trade Unions and the Red Trades

Union Congress into one powerful organisation. The Sub-Committee considers that in view of the changed national and international situation, many of the obstacles to unity which wrecked previous unity moves have disappeared and that there exists an atmosphere today which is eminently suited to bringing about unity in the Indian Trade Union Movement. Labour workers, irrespective of their political views, will be doing the greatest service to the Indian workers by consolidating the Trade Union Movement. Let us bury factionalism and approach the task with a larger vision. Where we swear by the beautiful slogan of "Workers of the World Unite", let us at least realise the unity of the workers of India.

If factionalism must exist let us transfer it from the economic front to the political. Let us not disrupt the workers' struggle for bread. This is not to say that politics must be tabooed from the Trade Unions. Let us by all means propagate our views in the Unions, but let us not for a difference in views break up the solidarity of the workers which is their greatest strength,— greater indeed than any political or economic doctrine, no matter how exalted its parentage. The Sub-Committee place itself full at the disposal of the leaders of the Trade Unions and offers them its whole-hearted co-operation in this task of bringing about Trade Union Unity.

Congress Socialist Party and the A.I.T.U.C.— A few words regarding the Party's agreement with the All India Trades Union Congress. The Party has arrived at an agreement with the A.I.T.U.C. regarding its Trade Union work. The agreement in brief covers the following points: The Party agrees to strengthen the A.I.T.U.C. and make it the All India Trade Union organisation of the working class; the A.I.T.U.C. agrees to strengthen the A.I.C.S.P. as an anti-imperialist block within the Congress; the Unions formed by the Party's members shall be affiliated to the A.I.T.U.; and the A.I.T.U.C. shall offer facilities to the members of the Party to work in its Unions.

In view of the Sub-Committee's appeal for Trade Union unity, it may seem strange for the A.I.C.S.Party to have come to such an agreement with one of the existing All India Trade Union movements. The Sub-Committee wishes to make it clear that the Party in allying with the A.I.T.U.C. has not been prompted by any spirit of sectarianism, and that it has not sought to ally itself with a particular group of Labour workers but with an organisation of the working class. The Party had to take up Trade Union work in pursuance of its Plan of Action and it had no desire to enter the labour field as a new faction, keeping aloof from all the existing Trade Union organisations. It would have been only another step from that to set up one more Congress ~~xxx~~ of Trade Unions. Therefore, instead of constituting itself into an independent group owing allegiance to no National organisation of Trade Unions and thus further



bringing disruption into the Labour Movement, the Party thought it desirable, in the interests of a united Movement, to work through one of the existing organisations.

In fixing its choice upon the A.I.T.U.C. the Party was guided by the following considerations: The A.I.T.U.C. was the mother body from which various groups split and founded other organisations; the policy and programme of the A.I.T.U.C. are very nearly alike to those of the Party; the policy of the Red T.U.C. was too exclusively linked up with a particular political programme ~~xx~~ for it to allow other Trade Union workers with different political views to work in it; the policy of the N-F.T.U. was from the point of view of the Party, unsuited to the ~~x~~ problems arising from the Imperialist and capitalist exploitation of Indian labour. These were the considerations that induced the Party to ally itself with the A.I.T.U.C. The Sub-Committee, however, wishes to make it absolutely clear that the Party will not allow this alliance to stand in any manner in the way of Unity.

(The Indian Labour Journal, 20-1-1935)

1st Madras Provincial Labour Conference, Golden Rock, 1935. +

The first Madras Provincial Labour Conference was held at Golden Rock (Trichinopoly) on 13-1-1935 under the presidency of Mr. S. Vatesa Mudaliar, Secretary of the Madras Provincial Central Labour Union. About 40 representatives from Trade Unions in the different districts of the Presidency representing workers in various industries were present.

Mr. C. Basudev, M.L.C., who formally declared the Conference open, said, in the course of his speech, that the position of labour under the proposed Reforms, though not fully satisfactory, would be much better than under the present constitution. He warned workers against the rejection of the Joint Parliamentary Committee's proposals. He also condemned the ~~xx~~ practice of "outsiders" representing labour in legislatures and Conferences and emphasised

the necessity of workers themselves representing the labouring classes.

In his presidential address Mr. Natesa Mudaliar traced the growth of the trade union movement in the Presidency and expressed the opinion that labour should not more seek help from outside politicians. In this connection, he condemned the recommendation of the name of Mr. V.M.Ramaswami Mudaliar for nomination as the Indian workers' delegate to this year's I.L.Conference. As regards the forthcoming reforms, Mr. Mudaliar said that at least 10 per cent of the seats should be allotted to labour and indirect election to the Upper Houses should be done waway with and that safeguards should be provided in the interests of labour in many directions, especially regarding security of tenure, shorter working hours, bonus and provident fund, compulsory free education for children of labourers, insurance, old age pensions etc. He also condemned the practice of some departments being maintained temporarily for several years, so that they could be deprived of pension benefit.

The Conference adopted resolutions (1) urging that <sup>I.P.C.</sup> representation of labour in legislatures under reforms was considered in-adequate and that at least <sup>H.L.</sup> ten per cent of the total number of seats should be reserved for labour to be filled in by actual labourers. The Madras Presidency, the Conference held, should be divided into territorial constituencies for labour and these constituencies should consist of employees working in factories coming under the Indian Factory Act; (2) <sup>H.L.</sup> demanding that a sufficient number of seats in the Federal legislature should be reserved, a few for representatives of labour in industries like railways, shipping, and textiles

and the rest for labour representatives from the various Provinces to be elected by the employees; (3) asking for periodical enlargement of franchise so as to achieve adult franchise within a definite period and the immediate enfranchisement of all wage earners earning not less than Rs. 10 per month; (4) demanding the inclusion of a Declaration of Rights in the new Constitution; (5) condemning the recommendation of Mr. V.M.Ramaswami Mudaliar for nomination to the 19th I.L.Conference as Indian workers' delegate and recommending Mr. D. Krishnaswami Pillai instead; and (6) forming an All-India Trades Union Federation with Mr. T.V.K.Naidu as president and Mr. C.Basudev as Secretary.

(The Indian Labour Journal, 20-1-35).

The following editorial comments on the proceedings of the Conference are made by the Indian Labour Journal, Nagpur, in its issue dated 20-1-1935:-

"The views and sentiments expressed by the politically-minded labourites at the Madras Provincial Labour Conference held in South India during the first week of this month look like New-Year resolves to get ready for seats and offices under the reforms in sight. This at any rate appears to be the main theme of the opening address delivered by Mr. C.Basudev - a nominated member of the Madras Legislative Council. The burden of his song is to warn labour against rejection of the Reforms.

"The country has shown that it does not stand behind reactionaries like the Justicites whose only objective is jobbery and office-hunting developing into nepotism. Even this drives them to discontent and leaves them disgruntled as is evident from the condemnation of the nomination of Mr. V.M.Ramaswamy Mudaliar as the Labour delegate to the International Labour Conference at Geneva. The President of the Labour Conference could not find anything more to say than condemn the nomination of Mr. Ramaswamy Mudaliar. He has not condemned him because of any principle. Perhaps the workers at Golden Rock would have been spared of all the bother of party politics, had Mr. Basudev or Mr. Natesa Mudaliar been recommended for Geneva.

"The formation of another National Labour organisation on the flimsy and silly grounds that the All India Trade Union Congress is anti-government and the National Trades Union Federation is monopolised by outsiders, stands condemned on the very face of it. While attempts are being made to bring together the T.U.C. and the Federation Mr. Basudev sets up yet another organisation called the All India Trades Union Federation, with himself as its Secretary, thus making a sixth organisation since the Nagpur split. Such is the tragedy of the situation. So long as flootsams and jetsams, briefless lawyers and unemployed adventurers exploit workers, there can be no united labour front. The Trade Union movement requires a radical change in its composition and organisation. It should be reorganised on British lines without any further delay."

1st All-India Press Workers' Conference, Lucknow, 1934.

The first session of the All India Press Workers' Conference was held at Lucknow on 29 & 30-12-1934 with Mr. D.K.Dhole as president. According to press reports the Conference was thinly attended, the delegates from the mofussil numbering only about 30.

Mr. Dhole in his presidential speech remarked that while there were fifty million un-employed in the capitalist world, no unemployment existed in the U.S.S.R. The Soviet Union having overthrown capitalist power, have already laid the economic foundation of Socialism by developing their industry and agriculture by mechanisation and collectivisation, with consequent improvement in the material condition of the workers. Dealing with the condition of the press worker, Mr. Dhole said that even though there had not been any marked development in the printing industry, it had not succeeded in escaping from the effect of the general crisis of capitalism. The crisis had also brought into being new methods of exploitation, such as the contract system and the general employment of line workers in preference to the fixed paid workers.

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Their immediate task was to fight against wage-cuts, long hours of work and general worsening of their conditions. In conclusion, he said that the supreme need of the hour was to devise ways and means to make a united effort to improve the standard of life of the press worker and for that the establishment of a strong trade union organisation of workers was necessary.

The Conference passed resolutions demanding the release of all political prisoners, especially Mr. Spratt, the repeal of ~~the~~ Trades Disputes Act and the Bombay Trades Disputes Conciliation Act, and the withdrawal of the ban on working class organisations such as the Communist Party of India, the League against Imperialism, etc. Several amendments were suggested in the existing Indian Factories and Workmen's Compensation Acts in the interests of Press Workers, and a Committee was appointed to draw up the amendments proposed. The Conference also demanded 40-hour-week and a 7-hour day which includes the rest period.

(The Hindu, 31-12-34)

The Burma Provincial Indian Labour Conference-Rangoon, 1935.

The first session of the Burma Provincial Indian Labour Conference was held at Rangoon from 12th to 14th January 1935 under the presidentship of Mr. N.M. Joshi, M.L.A. The following is a brief summary of Mr. Joshi's presidential address:-

Indian and Burmese Labour.- Mr. Joshi advised Indian labourers to cooperate with the Burmans in securing for either country, the fullest form of self-government, maintaining that the surest protection of the interests of the minority lay in assimilating its interests as near as possible to the interests of the majority. In reviewing the general labour conditions in ~~the~~ Burma, Mr. Joshi regretted that the Government of India and the Provincial Governments, including the Government of Burma, had not done much to

give effect to the recommendations of the Royal Commission on Indian labour, He added that efforts must be made to find continuous work for Indian labourers in Burma or at least to provide free repatriation to India.

Disproportionate Sex Ratio.- Viewing the existing disproportionate sex-ratio of Indian population in Burma, he opined that steps must be taken so that Indian labourers might feel inclined to come to Burma with their families. He suggested the need of building up a strong trade union movement to protect their interests on non-racial and non-communal lines.

Indian Immigration; Need for Minimum Wages.- In discussing the question of Indian immigration, Mr. Joshi explained that the best solution of it lay in negotiating a voluntary treaty based on mutual interest in all matters concerning common relations between India and Burma. He suggested that the most fair way of preventing unfair competition was to insist that the Government should provide by ~~legi~~ legislation that all wage-earners, Burman or Indian, should be given certain adequate minimum standards of conditions of life and work. Referring to the recent negotiations for an Indo-Burma trade convention at New Delhi, Mr. Joshi deplored the non-representation of Indian labour therein.

(The Hindustan Times, 14-1-1935).

The following is a summary of the more important of the resolutions adopted by the Conference:-

1. Four Indian Seats Claimed.- That there should be four Indian seats in the Lower House instead of two as recommended by the Joint Select Committee.

2. Extension of Franchise to Labourers.- That the franchise should be extended to the wage-earning manual labourer, with three months' residential qualifications.

3. Special Labour Constituencies.- That the special labour constituencies should be divided into three groups. Rangoon and Syriam should form one constituency having two seats. Oil-fields and mines combined will form one seat. There should be another seat for agricultural Indian labourers.

4. Position of Indian Labourers in Burma.- That the remarks contained in paras 43 and 473 of the Joint Select Committee's Report are absolutely untrue and are highly derogatory to the position that Indian labour has created for itself in the development of Burma.

5. Protest re. Non-Recognition of Burma Railway Employees' Union.- That the Government of India and the Burma Government should be requested to intervene in the matter regarding the non-recognition of the Burma Railway Employees' Union by the agents of the Burma Railway.

6. Reduction of Steamer Fares.- The steam-ship companies

should reduce the fares of deck passengers to and from Rangoon owing to the prolonged depression and provide better facilities for their accommodation and their luggage on board the steamers and arrange rest houses for passengers in Rangoon.

7. Abolition of Contract System.- That the India and Burma Governments should take early steps to replace the contract system of labour, popularly known as the 'maistry' system, by one, in which the employer will be responsible for employment, dismissal and direct payment and should introduce the necessary legislation immediately.

8. Right of Entry of Indians into Burma.- That before Parliament comes to any decision regarding the recommendations of the Joint Select Committee, the Burma Legislature should be invested with power to pass legislation regulating the entry of Indian labourers into Burma with his Excellency the Governor's prior consent, and that investigations should be ordered regarding the desirability and the necessity of investing the Burma Legislature with such power should any regulation of the Indian labour be necessary.

9. Resolutions to be forwarded to Geneva also.- That the resolutions should be forwarded to the authorities concerned in Burma, India, London, and at Geneva.

(The Hindustan Times, 15-1-1935)

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Economic Conditions.

Road-Rail Competition in India: Government of India

Convenes Transport Advisory Council at Delhi

on 7-1-1935.

Reference was made at pages 33-34 of our November 1934 report to the decision of the Government <sup>of India</sup> to convene a Conference to consider co-ordination of efforts in regard to all forms of transport in India. Sir Frank Noyce, Member in Charge of Department of Industries and Labour, opened on 7-1-1935 the Conference composed of officials of the Government of India and of provincial governments, which was constituted into a Transport Advisory Council. In his opening speech, Sir Frank Noyce defined the problem as follows:-

"The crux of the problem lies in the fact that competition by motor vehicles tends to absorb mainly high grade traffic, that is, passenger traffic and parcels traffic, and leaves the railways to carry commodities such as coal, ores, grains and other industrial and agricultural produce which, if they are to move freely, must be carried at low rates. One or other, or both, of the two results must follow from unrestrained competition: either the railways must raise their rates for low grade traffic, or they must run at a loss. If the railways should be forced to raise their rates for low grade traffic, the agriculturist and the industrialist will suffer, and with them provincial revenues will also suffer. If the railways should run at a loss, central revenues - and in dealing with this question it cannot, I think, be too often repeated that Rs.800 crores (Rs 1 crore=10 millions) of public money, two-thirds of the debt of India, have been invested in the railways of this country - will suffer in the first instance; but provincial revenues and credit are so closely bound up with central revenues that these also will soon feel the strain."

A concise statement of policy to secure co-ordinated development of road and rail transport has been formulated by the Transport Advisory Council at its meeting on January 7, 8 and 9. The statement runs as follows:-



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Construction of Roads and Railways: (1) For the present the funds available for roads, other than the funds required for maintenance or for the fulfilment of the existing commitments, should be applied largely to the development of roads which do not duplicate the existing means of transport;

(2) Where a metalled road runs parallel to a railway, feeder roads giving access from or to that road to or from railway stations, towns and large villages close to it should be constructed and maintained up to the standard which will secure that access is unimpeded;

(3) (a) In the administration of the road account, any scheme for the construction or improvement of roads included in the accepted skeleton system of trunk roads should not be opposed by the Government of India merely on the ground that such a road is parallel to a railway, and a scheme for the construction or improvement of any other road parallel to the railway should require special justification with reference to the circumstances of the particular case, (b) the accepted skeleton system of trunk roads, referred to above, should be settled in agreement with local Governments.

Control of traffic: (1) For the double purpose of promoting public safety and convenience and placing competition between road and rail on an equal footing, the following measures should be adopted in regard to motor buses; (a) A reasonable standard of maintenance of vehicles; (b) medical inspection of drivers; (c) insurance against passenger and third party risks; and (d) adequate inspection and enforcement of regulations.

(2) The number of motor buses should be restricted, so as to avoid wasteful competition. In order to secure this end, (a) motor buses or services of motor buses should be licensed for a specified route or specified routes only, and (b) in determining whether a licence should be granted or not, regard should be had to the following four tests, namely, (i) the extent to which the needs of proposed routes are already served; (ii) the extent to which the proposed service is desirable in the public interest; (iii) the traffic needs of the area as a whole, including the need to link up the routes with railways and other routes; and (iv) the suitability of the routes for the proposed traffic.

(3) It may be expedient, in order that fuller advantage may be taken of a particular road, (a) to grant a monopoly of motor bus traffic for a limited period on that road to a well organised service; and (b) to arrange for the issuing of through tickets for journeys, partly by such service and partly by a railway fed by it.

Administrative Machinery: (a) The Government of India and the local Governments, particularly under the new constitution, should, as far as it may be feasible and constitutionally possible, place in the charge of one member or minister all matters relating to communications;

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(b) The annual meetings of the Transport Advisory Council, as an advisory body for the co-ordination of road and rail transport, should be continued;

(c) Each local Government should create or maintain provincial boards of communications with advisory functions relating to matters concerning the co-ordination of road, rail and inland water transport on which railways and the inland water transport of the province should be adequately represented, and no important scheme of road, rail or inland waterway development should be approved by a local Government until it has been discussed by the board after adequate notice has been given to the various interests concerned;

(d) Each local Government should take measures to establish machinery for the control of motor transport according to the circumstances of each province which would be adequate to carry out the detailed measures recommended by this council and accepted by the local Government for the control of motor transport.

(The Statesman, 8 & 10-1-1935)

Condition of Agriculturists in Mysore:

Report of Enquiry Committee.

Reference was made at page 66 of our August 1934 report to the appointment of an Enquiry Committee of officials and non-officials by the Mysore Durbar to make "a rapid enquiry into the extent to which the fall in the price of agricultural produce in recent years has affected the resources, debt obligations and credit facilities of the land-owning and cultivating classes in different parts of the State, and to report upon the nature and extent of the assistance that may be given to relieve them from the difficulties caused by the present depression, after an examination of the several measures suggested in this behalf and having in view the present financial condition of the State". It is now understood

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Jurisdiction of Civil Courts.—The civil court will have no jurisdiction while proceedings are pending before the Board and cannot interfere with their awards. All the lands which are the security for the awarded debt will be attached as under section 64, Civil Procedure Code.

Postponement of Execution of Rent Decrees.—The Board will notify the landlords of the debtor's lands and execution of rent decrees will be postponed for six months.

Transferability of Awards.—The awards will be transferable and they can be taken over for collection by any approved credit society.

(Summarised from pages 105-164 of the Supplement to the Calcutta Gazette dated 24-1-1935).

Relief to Indian Coal Industry: Reduction in  
Surcharge on Coal Freights. +

References were made in the previous reports of this Office to the crisis through which the coal industry in Bengal and Bihar and Orissa is passing and to the various schemes sponsored by mining interests to bring about coal-output restriction (vide pages 46(a) to 46(c) of October 1933 report; page 56 of November 1933 report; pages 59-62 of January 1934 report; pages 54-55 of February 1934 report; pages 54-56 of April 1934 report and pages 53-54 of May 1934 report). The views of the Government of India on the question of restriction was summarised at pages 47-48 of our September 1934 report. It was pointed <sup>out</sup> by Sir Frank Noyce that there are great practical difficulties in the way of adopting any scheme of restriction of out-<sup>put</sup>. He, however promised to do the

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needful in consultation with provincial governments. In a letter which the government of India have addressed to Local governments on 28-1-1935, the conclusions on the subject arrived at by the Government of India and their proposals for giving relief to the industry are set out. The following are the salient features of the Government of India's letter to Local Governments:-

Provincial Opinion re. Coal Output Restriction Scheme. -The letter indicates that, of the major provincial Governments, only Bengal and Bihar and Orissa are in favour of restriction. Four local Governments are opposed to restriction, including that of the Central Provinces, and the others have offered no comments on the Government of India's previous letter (which suggested that there were insuperable objections of principle to the scheme).

Defects of Adopting a Restriction Scheme; (1) Retardation of Economic Recovery. - The ~~letter is~~ ~~stated~~ ~~mainly~~ Government of India observe that they fail to see how a temporary scheme would remove or even reduce what the organisations regard as the cause of their difficulties, namely "the disequilibrium between demand and immediate productive capacity." After suggesting that this is a feature common to most industries, they observe that restriction by raising the price of coal "would tend to retard the general economic recovery which is no less vital for the coal industry than for the public, and so to check expansion in the demand for coal, or even to reduce that demand. Nor would it tend to reduce the immediate productive capacity; on the contrary, the very object of the scheme is to maintain in working order collieries that may otherwise have to be closed as unprofitable. Thus at the end of the three years the industry would be no better able to meet its difficulties than it is at present, for nothing would have been done to bridge the gap between demand and productive capacity. And the forces which may otherwise be expected to produce an effect in this direction would have been prevented from operating."

(2) Consumers' Interests not Safeguarded. - The conception of a scheme operating for an indefinite period is in the view of the Government of India, open to even greater objections than a temporary and self-eliminating scheme. Under such a scheme consumers/ and the community generally stand to gain nothing in return for the contributions made to the industry. "The less efficient collieries would be able indefinitely to produce coal (or to levy a charge on the production of coal by selling their quota) while better collieries could not increase their proportion of the total production except by paying their competitors for the right to produce. If restriction was to be enforced for any appreciable <sup>period</sup>

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the consumers would have the right to demand that the limited quantity of coal available should be produced in the cheapest manner consistent with the employment of sound mining methods and fair payments to those employed. But there would be no practicable means of insisting on this under a quota system. If, as the organisations assert, restriction of output is inevitable, it is, in the view of the Government of India, preferable that it should take the form of letting the less efficient concerns close and should not curtail the activities of the more ~~xxx~~ and the less favourably placed collieries alike."

Wasteful Methods of Production will be Unchanged by Restriction

\* The letter, dealing with the effects of the present situation on coal resources, indicates that the argument which has carried most weight with the two Provincial Governments which are in favour of restriction, is that coal owners are being driven, by present prices, to adopt wasteful methods of extraction. The Government of India agree in regarding this feature as the one deserving most serious consideration, and remark that they have no doubt as to the prevalence of the evil. But they "are not convinced that the introduction of a scheme of restriction would offer an adequate remedy. It would clearly provide no guarantee that coal-owners would resort only to sound methods of extraction, and that they would be willing to forgo immediate profits for the sake of the future. Nor does past experience suggest that such a result is even likely. The adoption of wasteful methods of extraction has probably been accentuated by the present depression, but it is, unfortunately, no new feature of the Indian coal industry. Public attention was especially directed to this question during 1919-20 and investigations made then show that although the period was one of high prices and great prosperity for the coal industry, the adoption of wasteful methods of extraction was common."

Remedy by Legislation Suggested.\* If action is necessary, the evil must be attacked directly, and the evidence suggests that the enactment of legislation is a matter of urgency and importance. The Government of India are engaged in framing proposals for conservation of coal resources and they intend at an early date to consult Local Governments and the interests concerned on the whole question. As has been already indicated, the Government of India are not satisfied that a forced reduction in output is desirable, and their proposals for conservation will not be framed with this object directly in view. But they consider that if any substantial restriction had to be enforced, it would be much better to secure it by limiting the operations of those who depend on wasteful methods to maintain their position in the market than by curtailing equally the liberty of those who are and those who are not prepared to make the best use of the coal at their disposal.

Reduction of Surcharge on Freight Announced.- The ~~letter~~ ~~xxx~~ Government of India have examined the possibility of assisting the

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industry in other ways which would not injure the community or the future interests of the industry itself. With this end in view, they have decided to modify the surcharge on railway freights for coal. As from April 1 next the surcharge will be reduced: (a) by altering the basic percentage from 15 per cent to 12½ per cent and (b) by subjecting it to a maximum of one rupee per ton, irrespective of distance.

The letter mentions that this concession is estimated to involve a reduction of over Rs.2 millions in receipts from the surcharge and concludes by expressing the hope that the improvement in conditions will make it possible for the Government of India to make further reductions in the surcharge.

(The Statesman, 21-1-1935),. +

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Employment and Unemployment.

Provision of Relief to Unemployed in India: Mr. Giri's  
Resolution in Legislative Assembly. ✓ +

Mr. V.V.Giri has tabled the following resolution urging the adoption of methods to relieve unemployment in India to be moved in the Legislative Assembly during its current session:

"This Assembly recommends to the Governor General in Council the following:-

"That immediate steps be taken by the Government to protect the workers against unemployment and that for the said purpose, the Government do take over direct possession of as much uncultivated culturable land (other than fallow) as possible and start State-owned Farms and subsidiary activities on the best scientific advice the Government can command, for the purpose of providing alternative employment and suitable subsidiary occupations;

That an Economic Council of the type recommended by the Whitley Commission and Salter Report be constituted immediately and be entrusted with the responsibility of conducting the State-owned Farms;

That the necessary expenditure for the initial training of the workers, providing of necessary equipment and meeting of deficits, if any, be first borne by the Government and

That with a view to further reduce unemployment, the Governor General in Council be pleased to arrange with all State-owned or assisted industrial undertakings to spread employment by introduction of methods of leave by rotation or short-time to the extent acceptable to the affected workers without any restriction, in view of the great reduction in working hours already made practicable in advanced industrial countries and thus reinstate many starving retrenched workers without delay."

(Extracted from Legislative Assembly Agenda papers issued on 29-1-1935).

The following resolution, over the names of about 30 members <sup>of the Legislative Assembly</sup> on the same subject has also been tabled:

"This Assembly recommends to the Governor General in Council to take adequate and effective steps to relieve unemployment in the country."

(Extracted from Legislative Assembly Agenda papers issued on 2-2-1935).

Relief for Unemployment in Madras:

Resolution Passed by Legislative Council.

On 24-1-1935, Dr. C. Natesa Mudaliar moved the following resolution in the Madras Legislative Council urging the government to concert measures to relieve the unemployment problem in the Presidency:

"This Council recommends to the Government that at least a lakh of rupees (Rs. 100,000) be set apart from the ~~the~~ provincial revenues to relieve the unemployed in the city and in the mofussil."

Moving the resolution Mr. Mudaliar said that there were at present 900 graduates and 4,000 school-final candidates unemployed. At least 1,000 people, besides these, were also starving actually in the city. The object of his resolution was to give some relief to these unemployed people, who consisted not only of students waiting for jobs, but also <sup>of</sup> persons who were thrown out of employment. The speaker next drew the attention of the House to the method by which this problem was tackled in Germany. He finally suggested the starting of large industrial concerns and remunerative schemes to relieve permanently the problem of unemployment.

Mr. M.S.Shresta seconded the motion and said that relief of unemployment was now part of the programme of all democratic Governments and the time had come for this Government to take action. Information bureaux might be started and statistics obtained. An inquiry might be held with a view to obtaining full information on the point. In this province the Labour Department might be asked to take up this question and suggest proposals to relieve unemployment. There was urgent need for dealing with unemployment among the lower classes.



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Mr. A.B.Shetty's Amendment.- Mr. A.B.Shetty moved the following amendment to the resolution: Substitute the words "that early steps be taken to relieve unemployment among the middle classes" for the words "at least a lakh of rupees be set apart from the provincial revenues to relieve the unemployed."

In moving the amendment, Mr. Shetty said that a great deal of unemployment existed among the educated and middle classes. He did not think that a great deal of unemployment existed among the labouring classes. The remedy was not such a simple or easy one, as suggested in the main resolution. Unemployment arose out of very many causes. He did not know what action the Government took on the recommendations of the committee appointed in 1926 to tackle this question. Since that time, unemployment had been on the increase. In a properly organised State, things would not be allowed to drift. Young men and women of the country ought to be given the education suited to their aptitudes, and to the needs of the country. It had been repeatedly demanded by educationists and other public men that what was required now was a reorientation of policy in respect of education. They should have vocational classes running side by side with general schools. But it was not enough if they merely started vocational classes. There should be proper avenues of employment for those studying in the vocational schools. The Government should have a properly planned scheme for economic development of the country. The Government should have an expert to formulate schemes of economic development with a view to providing new avenues of employment in trade, industry and agriculture to those coming out of colleges.

Mr. C. Basu Dev's plea for workers. - Mr. Basu Dev said that the cause of manual labourers should not be neglected. There was unemployment among those classes also. The Government should encourage private industries. Capital was shy in this country and the Government should take steps to see that the capital was used in starting enterprises instead of its being used merely on the money-lending business.

Mr. T.S.Ramswami Iyer's Amendment. - Mr. T.S.Ramaswami Aiyar moved an amendment to substitute the words "that they do take the necessary steps to relieve unemployment in the presidency" for the words "that at least a lakh of rupees be set apart from the provincial revenues to relieve the unemployment in the city and in the mofussil".

Mr. V.M.R.Mudaliar Urges Reduction of Hours. - Mr. V.M.Ramasami Mudaliar said that the problem in the province was two fold: industrial and agricultural. About six lakhs of people had gone to Ceylon. Thousands had taken service in Malaya and other distant places. The cause of all this emigration was that the home land did not give them employment. It was the duty of the Government to consider these questions and try to compile accurate statistics. Regarding industrial unemployment, the speaker said that society had not adjusted itself to the introduction of machinery. He then referred to Sir M.Visveswaraya's recent book "Planned Economy" and said a number of schemes had been sketched out in it, which could be easily adopted by the Government. He would suggest that to relieve unemployment among the agricultural population, extension of communications in rural parts might be taken up. Hours of work in factories could also be shortened.

Several other non-official members spoke supporting the resolution.

On the Government side, the Home Member, Mr. Pannirselvam, replied to the debate a summary of which is given below:

Mr.Pannirselvam said that the Government were in sympathy with the principle underlying the resolution. While he sympathised with the object of the resolution, he would ask the Council to realise the enormity of the problem, the tackling of which bristled with difficulties. Unemployment could be classified under various heads - educated and uneducated - and the latter type of unemployment could be further classified into industrial and agricultural unemployment. Besides, there were those who eked out a livelihood in choultries (charitable feeding homes). They had a large number of beggars. It was impossible to collect accurate figures regarding beggars. The Government appointed a Committee to tackle the question of unemployment among the educated classes. That Committee suggested assignment of lands at the disposal of the Government in favour of the unemployed who would take to cultivation. The Agricultural Advisory Committee stated that there was hardly any land suitable for cultivation. The Government had not slept over

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this question. Another recommendation of the Committee was that education should be given an agricultural bias. Instructions were issued to that effect. But there was little response. It was a question which the university should consider.

The Home Member said that it seemed to him that they were not in any way better fitted to tackle this problem than they were when that Committee submitted its report. Unemployment among the uneducated classes also bristled with many difficulties. Many agriculturists found seasonal unemployment. It was difficult to distinguish between unemployed and those who took shelter in choultries. He was at a loss to know what they could do with one lakh of rupees. Was it to be distributed as doles? Assuming that it was done, what was the relief that they could afford? The Government had done their best in the past to relieve unemployment. He could recount instances where money had been spent by Government in giving work to people who might otherwise have gone without work. Slums had been cleared with a view to helping the poor. Money had been given to local bodies for construction of village roads and the opening of further communications. For shortening hours in factories the Factory Act had been amended. The Government had not ignored this problem in the past and they were trying to do their best now also. The Hydro-Electric Works at Pykara for which a grant of Rs. 2.1 millions had been recently made was one which, he said, would relieve unemployment to some extent.

He was sure the discussion would receive the fullest consideration at the hands of the Government. With the assistance of their advisers, Government would think over the matter and see if any greater measure of relief than that adopted hitherto could be undertaken to solve unemployment. The amendment of Mr. Ramaswami Aiyar was put and carried and the resolution as amended was passed. It ran as follows: "This Council recommends to the Government that they do take the necessary steps to relieve unemployment in the presidency."

(The Hindu, 24 & 25-1-1935)

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Co-Operation.

Progress of Co-operation in the Madras

Presidency, 1933-34.\* ✓ ✧

Number of Societies.- According to the Annual Report on the Working of the Co-operative Societies Act in the Madras Presidency for the year 1933-34, only 140 societies were registered during the year, though there were applications for the registration of as many as 497 societies. 77 of the 140 societies registered were agricultural credit societies on unlimited liability basis, 20 were non-agricultural credit societies, 14 were purchase, purchase and sale societies, 8 land mortgage banks, 4 loan and sale societies and the remaining 10 were societies of the other types. The policy of reconstruction and consolidation of existing societies in preference to the registration of fresh societies was continued in the year and this accounts for the small number of new societies registered. 462 bad and dormant societies were cancelled during the year as against 691 in the previous year. There were at the end of the year 13,634 societies as against 13,956 at the end of the preceding year.

Agricultural Societies.- The report states that at the end of the previous year the total number of all types of societies under this class was 12,064. During the year 94 societies were registered and one was brought in by transfer from non-agricultural societies, while the registration of 386 societies was cancelled. Thus at the end of the year, there were 11,773 societies composed of 11,348 credit societies, 75 purchase, purchase and sale societies and 350 other types of societies. The membership of these societies fell from 628,805 to 597,606. Among the agricultural non-credit societies, there were only 75 societies for purchase, purchase and sale at the end of the year as compared with 79 in the previous year.

The purchase made by these societies amounted to Rs. 295,227. and the sales to Rs. 469,486.

Non-Agricultural Societies.- At the end of the year, there were 1,438 societies with a membership of 281,472 as against 1,451 societies with 269,390 members at the end of the previous year. Five of these societies did not start work before the close of the year. The non-agricultural credit societies also fell from 1080 in 1932-33 to 1,069 during the year under review, while the membership of these societies recorded an increase from 236,750 in the previous year to 248,245 during the year under review. Among the non-agricultural non-credit societies, there were 200 societies for purchase, purchase and sale and production and

\*Annual Report on the working of the Madras Co-operative Societies Act # VI of 1932 for the year 1933-34. - Madras; Printed by the Supdt., Government Press, 1935.-Price As.10. -pp.67

and sale as against 195 in the previous year. These societies had on their rolls 21,118 members with a paid-up share capital of Rs. 313,067. The total working capital amounted to Rs. 1,041,669. The net profits made by some societies amounted to Rs. 43,027 and the loss incurred by the rest was Rs. 74,568.

Labour Contract Societies.- During the year ~~1932~~ there were 19 societies of this type as against 21 in the preceding year. Of the 19 societies, five did no work in the year. The total number of members of all societies was 2,950, of whom 105 were helpers and 2,845 were actual workers. They had a paid-up share capital of Rs. 7,119 and a reserve fund of Rs. 11,829. Work to the value of Rs. 3,768 was pending execution at the beginning of the year and fresh work for Rs. 27,010 was secured in the year. The societies executed work to the value of Rs. 26,241; a contract worth Rs. 158 was cancelled in the year. Thus, at the end of the year, work to the value of Rs. 4,379 was pending execution. The members derived Rs. 15,200 as wages and non-members were paid Rs. 3,547. Twelve of these societies earned a net income of Rs. 2,579, while two of them worked at a loss of Rs. 373. The bonus paid to members was Rs. 258.

Weavers' Societies.- Of the 27 societies exclusively for weavers, 17 societies remained dormant. The rest purchased raw materials worth Rs. 7,811 and from its members finished products to ~~the~~ the value of Rs. 56,517. Finished products were sold to the public to an extent of Rs. 71,083. The working capital of all these societies was Rs. 108,695 while the profits earned by some of these societies amounted to Rs. 5,057 and the loss sustained by the rest was Rs. 2,409. The Salem Weavers' Society continued to work in the year. The society purchased from its members finished products worth Rs. 37,151 and realized Rs. 41,450 by sales. It earned a net profit of Rs. 2,098 as against Rs. 418 in the previous year. Owing to the general trade depression, the society had to limit the production of goods. The society continues to supply mainly to co-operative institutions and some leading firms in Madras. The only other society that did some useful work is the Coimbatore Devanga Weavers' Society.

(The progress of co-operation in the Madras Presidency during the year 1932-33 is ~~examined~~ reviewed at pages 71-73 of the April 1934 Report of this Office).

## Migration.

### Indians in Zanzibar: Mr. K.P.S. Menon's Report Published.

At pages 87-88 of our August 1934 report reference was made to the appointment of Mr. K.P.S. Menon, I.C.S. to investigate the effect of the recent legislation passed by the Government of Zanzibar on Indian interests. Mr. Menon's report which was submitted to the Government of India in the first week of November 1934 has been recently published by the Government. The following is a brief summary of the findings in the Report.

Area, Population etc.- The Zanzibar Protectorate comprises the Islands of Zanzibar and Pemba. Zanzibar has an area of 640 square miles, and Pemba 380 square miles. According to the Census of 1931 the total population was 235,428, of whom 186,471 were Africans. Arabs numbered 33,396 and British Indians 14,242. The overwhelming majority of Indians are permanent settlers, born and brought up in the Island; and many of them have lost touch with India altogether. Europeans number but 278. The exportable agricultural produce consists almost entirely of cloves and coconuts. Zanzibar produces over 80 per cent of the world's supply of cloves. There is a Legislative Council consisting of 15 members, of whom 9 are officials. There are 3 Arab members, 2 Indian members and 1 un-official European member.

The Nature of the Offending Legislation. - In 1934 the Zanzibar Government passed the following six Decrees which are <sup>vital</sup> held to affect Indians in the Islands: (1) The Alienation of Land (Restriction and Evidence) Decree, 1934; (2) The Moneylenders' (Amendment) Decree, 1934; (3) The Clove Growers' Association Decree, 1934; (4) The Clove Exporters' Decree, 1934; (5) The Adulteration of Produce Decree, 1934; and (6) The Agricultural Produce Export Decree, 1934.

1. The Land Alienation Decree.- This Decree provides that every transaction (other than a lease of land for a year or less) affecting the land of an Arab or an African shall be by a registered instrument (clause 3). The alienation of land belonging to an Arab or an African to a person who is not an Arab or an African will be of no effect unless it is sanctioned by the British Resident (clause 4). By clause 6 the forms in which an Arab or an African may mortgage his land are restricted to three:-

- (a) a usufructuary mortgage with possession given to the mortgagee for a term not exceeding 20 years, <sup>or until the</sup> ~~and~~ the mortgage debt is extinguished and the property returns to its owner;
- (b) a mortgage without possession with a condition that, on the mortgagor's failure to observe the terms of the mortgage, the mortgagee may apply to an authorised officer to be put in possession on such terms as to the period of possession (provided that it does not exceed 20 years) and the amount of principal and interest as the authorised officer deems fit; and
- (c) in any other form approved by the British Resident. Under a usufructuary mortgage the mortgagor does not bind himself personally to repay the mortgage money (clause 7). The period for which an Arab or an African may lease his land is limited to 20 years (clause 9). If the value of the property does not exceed Rs.1,500, there is no appeal from the decision of an authorised officer (clause 13), nor are legal practitioners entitled to appear (clause 14). The registration of any document which contravenes the provisions of this Decree is prohibited (clause 17). In the case of what may be called "fictitious sales" oral evidence may be tendered to vary the forms of the document and to show the real nature of the transaction (clause 18). A moratorium is provided for ~~the~~ a period of one year during which no decree or order of a Court for the sale of the land of an Arab or African can be executed (clause 19).

2. The Moneylenders' (Amendment) Decree.- The Amendment to the Money-lenders' Decree enables the Court to reopen transactions in which goods are sold on credit to any Arab or an African and, if the Court considers them harsh and unreasonable, to give relief on grounds of equity and fair dealing. The reason for this amendment is stated to be that many cases have occurred in which shopkeepers have been combining the sale of goods on credit with the advance of money to customers; and it is a matter of great difficulty for an ordinary and possibly ignorant defendant to prove that such a person is a money-lender under the principal Decree.

3. The Clove Growers' Association Decree.- This Decree establishes an Association under the name of the "Clove Growers' Association" and provides for the management of its affairs by a Board consisting of not more than 7 members appointed by the British Resident and a Secretary-Manager who will be the Chief Executive Officer. Clause 13 sets out "the objects and business of the Association", the most noteworthy of which is that the Association is entitled "to deal generally in and export agricultural produce". The operations of the Association are to be

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financed chiefly by a levy on all cloves exported from the Protectorate (clause 15). The Association, however, is exempt from any fee required by law in respect of any of its undertakings (proviso to clause 13), nor is it liable to pay stamp duty and registration fees in respect of documents passing between itself and its clients (clause 9). Moreover, Government undertake liability in the last instance for the losses incurred by the Association (clause 4(6)).

4. The Clove Exporters' Decree.- Under the Clove Exporters' Decree no person may export cloves from the Protectorate unless he has obtained a license to do so from the Licensing Authority which is the Board of the Clove Growers' Association (clause 3). The fee for such a license may amount to Rs. 5,000 per annum (clause 7(1)). No exporter's license may be assigned or transferred without the written consent of the Board of the Clove Growers' Association (clause 6). Provision is also made for the British Resident to restrict the number of exporter's licenses, if necessary (clause 9). Further, the Decree requires godowns for the storage of cloves to be licensed (clause 4). Under clause 14 exporters are required to keep books of account showing certain particulars of their transactions; and the Board of the Clove Growers' Association is empowered to enter godowns, call for registers and take copies and extracts therefrom (clause 13).

Regarding the Clove Growers' Association Decree and the Clove Exporters' Decree, Mr. Menon remarks that they aim at nothing short of the establishment of a monopoly in the clove trade. They are calculated to cause such damage to Indian interests in this Protectorate that it is not a matter for surprise that even the allied and seemingly innocuous Decrees relating to the grading and adulteration of cloves have filled the minds of the Indian community with alarm. He says: "The first point that strikes an observer is that the Clove Growers' Association is not an association of clove-growers. It is hardly even an association in the ordinary sense of the word; for, apart from the Board of management, it has no members. At present the Board is composed of 3 officials, the Manager of the National Bank of India and the Secretary-Manager, Mr. C.A. Bartlett, formerly a partner of Messrs. Grazebrook-Bartlett and Co., which used to compete, not too successfully, with Indian exporters in the clove trade. There is not a single clove grower in the Clove Growers' Association, nor is the body of clove-growers directly or indirectly represented on the Board of management."

The Clove Growers' Association has armed itself with the most powerful weapons for the purpose of eliminating Indian traders from the clove business. It enjoys exemptions and immunities which place it in a unique position of vantage as compared with its competitors. The Association has also been granted exemption from stamp duty and other charges. A still more remarkable provision is that all exporters are required to pay a levy of seven annas per frasila (i.e. 35 lbs) of cloves exported from the Protectorate; and this amount, which is distinct from and is in addition to the export duty, goes to the funds of the Clove Growers' Association.



The imposition of this levy practically means that the Indian exporters have to make substantial contributions to a rival body, the Clove Growers' Association. It also means that the Clove Growers' Association is in a position to undersell Indian exporters by seven annas on every *frasila* of cloves. Moreover, if the Clove Growers' Association is unable to make good from its Reserve Funds any loss or deficiency which may occur as the result of its transactions, the Government have undertaken to discharge such liabilities. As if the above provisions were not sufficient to secure a monopoly for the Clove Growers' Association, the Clove Exporters' Decree empowers the British Resident to restrict the number of exporter's licenses. The licensing authority, strangely enough, is the Board of management of the Clove Growers' Association. This Board has also been given power to grant or refuse licenses for the storage of cloves, to enter and inspect godowns and to call for certain registers kept by the traders.

5. The Agricultural Produce Export Decree.— The object of the Agricultural Produce Export Decree is to enable a system of grading for export to be introduced. Clause 3 prohibits the export of produce until it has been passed either by inspection or by inspection, grading and branding. For the present, copra is subject merely to inspection, but cloves are subject to grading and branding. Power is given to Inspectors to enter premises at all reasonable times for the purpose of examining produce and, if necessary, to order the removal of produce from the place of inspection. There are also penal clauses which specify offences and provide for their punishment.

6. The Adulteration of Produce Decree.— The Adulteration of Produce Decree at present includes only cloves and copra and is intended to ensure that the exports from the Protectorate are of good and marketable quality. Power is taken for Inspectors and Examiners to search for, seize and detain adulterated produce, and the procedure to be adopted by them is detailed. It is also provided that the sale of produce will carry with it an implied warranty of purity unless there be an agreement in writing to the contrary.

Summary of Recommendations.— Prefacing his recommendations.

Mr. Menon remarks: "I feel constrained to remark that the cumulative effect of the legislation discussed above is the 'squeezing out of the native of India from regions in which he has established himself under every security of public faith'. The conclusions arrived at by Mr. Menon may be summarised as follows:—

(a) The Land Alienation Decree is unobjectionable provided:—

(1) the racial distinction at present drawn between

Africans and Arabs on the one hand and persons who are not Africans or Arabs on the other is replaced by the more rational distinction between agriculturists and non-agriculturists, and

- (ii) the Decree is not allowed to affect the rights arising from past transactions relating to land. As already stated a Commission has been appointed to enquire into this problem; and action may be deferred pending the receipt of its recommendations.

(b) "The Moneylenders' Amendment Decree" which enables the Courts to reopen any transaction in which goods are sold on credit to an Arab or an African and to give relief on grounds of equity and fair dealing is justified.

(c) "The Agricultural Produce Export Decree" and "The Adulteration of Produce Decree" need not be objected to, provided they will not be operated under the overshadowing influence of, and pressure from, the Clove Growers' Association.

(d) "The Clove Growers' Association Decree, 1934" and "The Clove Exporters' Decree, 1934" are calculated to cause irretrievable damage to Indian interests and will practically oust the Indian trader from Zanzibar. It is therefore urged that the strongest possible representations should be made for their removal from the statute book.

Comments of the Zanzibar Government on Mr. Menon's Conclusions.-

The Government of Zanzibar, commenting on Mr. Menon's conclusions says:-

Mr. Menon's view that this legislation means the "squeezing out of the native of India from regions in which he has established himself under every security of public faith" is strongly contested by Government. The measures taken are designed to place the clove industry on a proper footing and promote the general good of the public, including the Indians, whose prosperity is inseparably bound up with the general prosperity of the Protectorate. Even at this early stage, the provision of ready money in return for cloves has led to an increase in the purchasing power of the community, and the benefit to Indian traders is becoming apparent.

The Government refuses to admit that the two Decrees: referred to in conclusion No.(d) will cause damage to Indian interests, generally, or will oust the Indian traders from Zanzibar. On the contrary, it asserts that the Indian traders and agriculturists will derive great benefit from the successful establishment of a monopoly for the marketing of cloves. To remove these Decrees from the Statute Book would inflict irreparable injury on the Protectorate.

(Summarised from pages 49-98 of the Gazette of India Extraordinary dated 28-1-1935).