

INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

Industrial and Labour Developments in January, 1947.
N.B.- Each section of this Report may be taken out separately.

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15. LIST OF THE MORE IMPORTANT PUBLICATIONS RECEIVED IN THIS
OFFICE DURING JANUARY, 1947.

INTERNATIONAL LABOUR ORGANISATION.

Asiatic Regional Conference: I.L.O. Mission assembles
in New Delhi.

The I.L.O. Asiatic Mission, entrusted with the task of gathering material for the Preparatory Asiatic Conference to be held at New Delhi in October, 1947, assembled at New Delhi in the last week of January, 1947. The Mission will discuss with the Governments of India and other Asiatic countries the various reports to be placed before the October 1947 conference.

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NATIONAL LABOUR LEGISLATION.

Ajmer-Merwara:

Rules under Factories Act, 1934, gazetted:
Exemption From Provisions relating to Hours
of Work.

The Chief Commissioner, Ajmer-Merwara, gazetted on 4-1-1947, certain rules made under section 43 of the Factories Act, 1934. The rules define categories of persons holding positions of supervision and management and employed in a confidential capacity under section 43 of the Factories Act. They further prescribe the conditions under which persons exempted from provisions of the Factories Act relating to hours of work under section 45 are to be exempted.

(The Gazette of India, dated 4-1-1947,
Part II-A, Pages 2-4).

Bihar:

Census of Manufacturing Industries Rules, 1945:
34 Industries added to the Schedule.

The Government of Bihar published this month the draft of certain amendments to the Census of Manufacturing Rules, 1945, which it proposes to make in exercise of the powers conferred under the Industrial Statistic Act, 1942.

Statistics in prescribed forms are to be collected for 34 new industries which have been added to the schedule attached to the Rules (vide page 2 of the report of this office for November, 1945). The more important of the 34 industries added to the schedule are: Footwear, and leather manufactures, rubber manufacture, enamel ware, ~~and~~ ^{and} milling, brick manufacture, printing, cotton ginning and pressing, silk manufacture and railway workshops.

(The Bihar Gazette, dated 1-7-1947;
Extraordinary, pages 1-162).

Madras :



The Madras Shops and Establishment Bill, 1947,
gazetted.

The Government of Madras has gazetted on 7-1-1947, the Madras Shops and Establishment Bill, 1947, which it proposes to introduce in the provincial legislature shortly. The Bill, which applies to shops, commercial establishments, restaurants, and theatres, extends to the entire Province and is intended to take effect, in the first instance, in Madras City and in all municipalities on a date to be fixed by the Government. The provisions may be applied to other areas if found necessary.

The Statement of Objects and Reasons, appended to the Bill, states that there is no enactment in the Province regulating the conditions of work of employees in shops, commercial undertakings, restaurants, etc. The Weekly Holidays Act, 1942, which had been brought into force from 1-1-1946, is limited in scope in that it provides only for the grant of holidays and does not contain provisions for various other matters affecting them, such as hours of work, payment of wages, health and safety. It is considered that there should be a comprehensive measure to regulate these matters on the lines of similar enactments in force in other provinces. The Bill is intended to give effect to this object.

The main provisions of the bill are: The maximum daily hours of work is fixed at 8 and for the week 48. Overtime work is to be paid for at one and a half times the ordinary rate, but the period of work, including overtime work, should not exceed ten hours in any day and in the aggregate fifty-four hours in any week. There shall be a rest interval of at least one hour after four hours of work; the spread-over shall not exceed 12 hours per day. There shall be one whole day's holiday in the week for each employee. Each employee is entitled 10 days' annual holidays with pay after continuous service for 12 months. No child (person below 14 years of age) can be employed, and ^{no} woman ^{and} young person (person ~~below~~ between 14 and 17 years) is permitted to work before 6 a.m. and after 7 p.m. The bill also has provisions relating to periods of wage payments, fines, permissible deductions, and notice period for dismissal.

(Fort St. George Gazette, 17-1-1947, part IV-A,
pages 1-3).

The Madras Non-Power Factories Bill, 1947, gazetted.

The Government of Madras gazetted on 14-1-1947, the Non-Power Factories Bill, 1947, which it proposes to introduce in the provincial legislature shortly. The Bill is intended to regulate the conditions of labour and to make provision for its welfare in places and premises to which the factories Act, 1954, does not apply. The Statement of Objects and Reasons, appended to the Bill, states that the Factories Act, 1954, regulates conditions of labour in factories where power in the shape of electrical or mechanical energy is used and where twenty or more workers are employed. It contains a provision enabling the Provincial Government to apply all or any of its provisions to places where power is not used and where ten or more workers are employed, but this enabling provision is used only rarely. There are several non-power factories in the Province where industries or handicrafts

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are carried on and the number of workers is large. The conditions of workers in these factories are far from being satisfactory. Most of them are housed in low roofed and ill-ventilated premises without any adequate sanitary arrangements and do not enjoy holidays. Children of tender age are made to work for long hours without proper intervals for rest. The application of the Factories Act to non-power factories is not quite suitable as the conditions of work in these factories are different and for effective control, the machinery for enforcing control over dispersed non-power factories has to be different from that established under the Factories Act. The question of undertaking separate legislation for effectively controlling non-power factories was discussed at a recent meeting of the Standing Labour Committee at New Delhi and it was generally agreed that legislation was necessary. The Bill is intended to give effect to this object.

The Bill provides for the licensing of non-power factories; adequate measures for the health and safety of the workers; a nine hour day and a forty-eight hour week; regular intervals of rest and one holiday in the week; ten days' annual leave, of which at least 7 days should be consecutive, on average pay. Employment of children under 14 years of age and of women between 7 p.m. and 6 a.m. is prohibited; and a certificate of fitness has been prescribed for the employment of young persons between 14 and 17 years.

The proposed measure will apply only to places or premises where ten or more workers are employed and one or more of thirty industries or handicrafts listed in the schedule appended to the bill are carried on. The more important of these are: Match factory, Confectionery, Printing and binding, Type casting, Engineering and blacksmithy, Tanning of skins and hides, Cashewnut works, Beedi manufacture, Tobacco-curing, Handloom weaving, Oil extraction, Brick and tile works, Aerated water works, Tailoring, and Fibre manufacture. The Government, however, may vary the Schedule and declare even places or premises in which the number of workers is less than ten to be subject to all or any of the provisions of the enactment.

(The Fort St. George Gazette, dated 14-1-1947,
Part IV-A, pages 19-29).

5.

SOCIAL POLICY.

Tea Plantation Labour Conference, New Delhi,
8 and 9-1-1947: Proposals for Increased
Wages and Improved Amenities.

A tripartite conference on tea plantation labour convened by the Department of Labour, Government of India, ~~on tea plantation labour~~ was held at New Delhi on 8 and 9-1-1947. The conference was attended by 6 Government representatives (2 of the Government of India and one each of the Governments of Assam, Bengal, Madras and Travancore, the principal areas having tea plantations), 6 employers' representatives and 6 workers' representatives. ~~and~~ Mr. Jagjiwan Ram, Labour Minister, ~~Government of India~~ Member, Government of India, presided ~~at~~ the conference. (A preliminary reference to the Conference was made at page 7 of the report of this Office for December, 1946).

Agenda. - The following aspects of tea plantation labour figured on the agenda of the conference: (1) Employment and Wages, (2) Sickness and Maternity Benefits, (3) Housing, (4) Medical Aid, (5) Education, (6) Welfare Activities, (7) Plantation Act and Welfare Cess, (8) Constitution of the Tripartite Conference for Tea plantation Labour.

Memoranda on these eight subjects, embodying the suggestions of the Government of India on them, and Annexures describing existing conditions in respect of these heads in the tea plantations in Assam, Bengal, Madras and Travancore were among the documents submitted to the Conference by the Labour Department, Government of India. (A copy of each of these Memoranda and Annexures ~~was~~ forwarded to Montreal with this Office's Minute No. D.1/53/47 dated 15-1-1947).

In the course of the discussions at the Conference, the following suggestions for amelioration of conditions were made:

Employment and Wages. - Wages should be so fixed that a man would earn, on an average, Rs. 1-4-0 a day and a woman worker Rs. 1/-. These rates are on the assumptions - (a) that cost of living today is now 25% per cent of what it was pre-war and (b) that work will be found for 6 days in the week. If sufficient work is not available for 6 days, the worker should not be penalised. Rates should be suitably upgraded so as to enable a man to earn Rs. 7-8-0 a week and a woman worker Rs. 6/- a week. This formula will apply only to workers who are dependant entirely on work in the tea gardens for their living. Some adjustment will be necessary in the case of workers who are given lands for their own cultivation, seasonal workers and casual labourers. Suitable lower rates will have to be prescribed for children and adolescents, that is, persons between 12 and 18 years of age, for old people and workers ~~who~~ recovering from illness, ~~who consequently~~ may not be able to do a full day's work of a person in normal health.

Wages fixed as above may be split into two elements - (a) a basic wage, (b) a cost of living allowance or its equivalent. Basic wage ~~should~~ should be fixed at a level which would fully compensate the workers for a cent per cent increase in the cost of living compared with pre-war conditions. Any further difference in the cost of living should be compensated by a cost of living allowance in cash or by supplying food and clothing at concession rates.

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The possibility of standardising rates for ~~xxx~~ task work and piece work should be examined. Deductions for dampness should be abolished in Bengal and South India and in those gardens in Assam where this practice still continues. Weighments should be made by a responsible person so as to eliminate the possibility of workers being cheated.

Wages should be paid once a week, if possible. Wage periods should not exceed a fortnight. Payments should be made direct to the worker, and not through the sirdar or maistry or kangani as the case may be. Along with the wages, workers should be given slips showing how the earnings during the wage period have been calculated. Certain kinds of contract work and certain methods of fining should be put an end to. Employment of children ¹² years of age and under should be prohibited.

Sickness and Maternity Benefits.- Women workers should be given a maternity benefit at the rate of Rs. 5-4-0 per week for a period of 12 weeks, that is to say, at the same rates and for a similar period as provided in the Workmen's State Insurance Bill (popularly known as Health Insurance Scheme). For every year of service, workers should be entitled to take sick leave for periods not exceeding 5 weeks in all. During periods of certified sickness they should get sickness benefit as follows:- Wage - Rs. 1-4-0 a day; Sickness benefit 12 annas a day; Wage Rs. 1-0-0 a day; Sickness benefit 10 annas a day; Wage 12 annas a day; Sickness benefit 8 annas a day.

Housing.- Immediate steps should be taken to draw up a proper scheme of housing with the object of providing approved types of houses to all workers over a period of 10 to 15 years. The authority charged with the formulation and enforcement of the housing programme should also be given power to prescribe and enforce regulations relating to - (a) selection of house sites, (b) provision of protected water supply, (c) construction of pucca drains, (d) provision of an adequate number of latrines and their maintenance in a clean condition. (b), (c) and (d) are immediate necessities and should be enforced without any delay.

Medical Aid.- Statutory power should be taken to prescribe the scale of dispensary services which gardens should provide, the stock of medicines to be kept, the number of doctors to be appointed, their qualifications, etc. Medical services should be provided on a scale which would ~~be provided~~ cost about Rs. 10 per worker per year. A cess should be levied to bring in a revenue of about Rs. 9 to 9.5 million a year for financing the medical services. Following what has been done in the coal mining areas, construction and maintenance of central hospitals will be the responsibility of a Central Authority, while the maintenance of dispensary and domiciliary services would be the responsibility of the individual gardens, except where the gardens are too small to organise these services on an adequate basis. Gardens maintaining services up to the requisite standard will receive a grant from the Fund for the upkeep of the medical services.

Education.- About Rs. 10 million should be raised a year for meeting the cost of education of children and adults. This would work out to about Rs. 10 to 11 per worker per year. About Rs. 7.5 million will be utilised for the education of children and the balance on adult education schemes. Children for whom educational opportunities are provided should be given a mid-day meal in addition to instruction.

Welfare Activities.- Estates should be required to provide creches and place them in charge of competent persons. A sum of Rs. 2.5 million a year should be raised for financing welfare activities, like the organisation of games and sports, cinema shows, installation of radio equipment, etc.

7.

plantation Act and Welfare Cess.- Special legislation should be promoted for securing the objectives set out in the preceding sections, namely, prescription and enforcement of wage rates, housing programme and the connected services and the provision of social services. To finance and inspection services, a cess of 1 anna per pound should be levied. This is expected to bring in an annual revenue of Rs. 22.5 million.

Decisions of the Conference.- The more important decisions reached by the conference, as reported in the press, are given below:

Wages: Interim Dearness Allowance of Rs. 0-2-0 per day.- Workers in tea plantations will be guaranteed reasonable rates of wages after a sample enquiry into their requirements, which will be conducted quickly in 31 gardens in Assam and Bengal. Meanwhile adult male workers in the Assam valley are to obtain an 'ad hoc' dearness allowance of 2 annas per day, women and children in the area getting corresponding increases and workers in the Surma Valley, Darjeeling, Dooars and Terai Districts, similar increases.

Standardising task and Piece Work Rates: Fines: Overtime Rates.- The employers' representatives at the Conference agreed to examine the possibility of standardising task and piecework rates wherever possible; they agreed further that the deductions now made for dampness of leaf plucked should be abolished. Another forward step taken consisted in willingness expressed on behalf of South Indian employers by their representatives to stop fining the workers and forfeiting part or whole of their daily wages by way of punishment. It was also agreed that contract work done outside the normal working hours should be paid at over-time rates.

Maternity and Sickness Benefits.- Employers' representatives agreed that, pending legislation, they would recommend giving immediate effect to the proposal to give women workers maternity benefit for 8 weeks at the rate of Rs. 5-4-0 a week.

For all workers, a sickness benefit for 2 weeks in a year was recommended, the rate of the benefit being calculated at not more than two-thirds of the averaged daily earnings. Employers' representatives agreed that they would ask their constituents to give immediate effect to this recommendation, pending legislation on the subject.

X Tripartite Plantation Labour Conference.- There was general agreement that the plantation labour Conference should be made a permanent body and the Conference should consider question affecting labour in all plantations whether of tea, rubber, coffee or other products. It was decided that there should be three members from Assam, one of whom should be a woman representative. It was also agreed that the general Conference should concentrate on major problems. Specific problems relating to tea, coffee and rubber, that may rise from time to time, should be left for detailed consideration by Advisory Committees. The report of the Advisory Committees will then be considered by the main Conference. It was also agreed that there should be a small Standing Committee which could meet at intervals and advise Government on problems referred to it.

(Summarised from Memoranda, Annexures, and Points for Discussion submitted to the Tea Plantation Labour Conference, by the Department of Labour, Government of India; and the Hindustan Times, 16-1-1947).

8.

Government of India Enquiry into Agricultural Labour
Conditions in British India.

In the memorandum on the Five-Year Programme of Labour Reforms prepared by the Department of Labour, Government of India, for submission to the Labour Ministers' Conference held at New Delhi on 14 and 15-10-1946, reference was made to an enquiry shortly to be undertaken into the conditions of life and work of agricultural labour in British India (vide page 18 of the report of this Office for October, 1946). Preparations for the enquiry are proceeding apace and the questionnaires and reply forms to be used in connection with it have been made ready. The information relating to the inquiry given below is taken from a memorandum prepared recently by the Department of Labour, Government of India.

Object of Enquiry.- The object of the enquiry is to ascertain the systems and quantum of wages and perquisites paid to agricultural workers, their other earnings, regularity of employment, working and living conditions with a view to consider what steps should be taken to improve their conditions of employment and to enable them to maintain a reasonable standard of living.

Nature of Enquiry: Random Sample Survey.- The memorandum points out that it will not be a practical proposition to attempt any very extensive enquiry into wages and other problem of agricultural labour in British India, because of the immensity of the task. The method adopted for the present enquiry, therefore, would be that of random sampling and it is proposed that one in every 400 villages may be selected for detailed investigation. In this manner 1130 villages from the eleven British Indian provinces will be covered by the enquiry.

Questionnaires.- The questionnaires included (a) a general village questionnaire and (b) questionnaires relating to individual labourers and their families. The general village questionnaire is to be answered with the help of the village officers and the more intelligent landholders and tenants.

The general questionnaire covers the following aspects, among others, ~~with~~ of village economy: systems of cropping and the area covered by each crop and the labour requirements of each; the supply of and the demand for labour; the efficiency of various classes of workers; the periods of scarcity and slump in the demand for labour; the prevailing rates of wages for different agricultural operations; evaluation of payment of wages in kind and of perquisites at local prices; retail prices of commodities in common consumption; indebtedness of agricultural labourers, and its effects on wages of free labour; ~~and~~ the cost of cultivation; help obtained from co-operative societies; medical relief available.

The questionnaires relating to individual farmers and their families seeks information, among others, on the following points: composition of the family (age, sex and relationship); place and nature of work; amount of earnings (wages, perquisites, etc.) of each working member of the family; number of days of work on which they get employed in the year; and the actual expenditure of the family on food, fuel, clothing, etc., and savings or debt—all relating to one year.

For the purposes of the enquiry, agricultural labour is visualised as divided into the following four main classes: (a) Cultivating owners who go out to work for wages on the lands of others, when they have no work on their own small holdings. (b) Tenant-cultivators who go out likewise when they are free. (c) Permanent farm servants paid monthly or yearly wages in

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kind or in cash. (d) Other landless labourers, who are engaged by the day on time or piece rate.

(Summarised from a Memorandum on the Government of India Enquiry into Agricultural Labour prepared by the Department of Labour, Government of India).

X 'Victimisation' after strikes prohibited:
Madras Government lays down Principle.

In a Government order ^{issued} in January 1947, the Madras Government has laid down the principle that once a settlement has been reached in labour dispute, there should be no victimisation and all pending cases in Court should be withdrawn. Fines already imposed will not, however, be refunded.

(The Hindu, 7-1-1947).

Conditions of Dock labour to be regulated: Proposed
legislation by Government of India.

It is understood that the Government of India proposes to enact legislation for regulating employment of dock labour and has circulated the outlines of the proposed measures to provincial Governments. Recent strikes of dock workers have shown that no improvement in the social conditions of dock labourers is possible without organised employment, and the legislation now contemplated, it is understood, will be on the lines of the Dock Labourers' Act, 1946, of the United Kingdom.

(The Hindustan Times, 22-1-1947).

Inspection.

Training Course for Factory Inspectors.

The Government of India has recently initiated a course of training for factory inspectors. The course will commence in Delhi during February 1947, and a feature of the course will be a programme of lectures on the treatment and utilisation of industrial wastes.

During recent years treatment of wastes had become a major problem for industries. Many wastes are recovered and converted into by-products of commercial value. There are at present only a small number of scientists in the country interested in the problem relating to industrial wastes, and a number of trained workers for setting up and managing different types of treatment plants is also needed. Dr. C.R. Harihara Iyer of Bio-Chemistry Department, Indian Institute of Science, has been invited by the Government of India to organise that part of training in Delhi relating to the treatment of industrial wastes.

(The National Call, 13-1-1947).

11.

Wages.

Working of Payment of Wages Act, 1936, in Madras Province during 1945.

According to the Report on the Working of the Payment of Wages Act, 1936, in the Province of Madras for 1945, during the year the provisions of the Act were made applicable to all factories covered by the Factories Act. Annual Return Forms were sent to 3,191 factories. Out of 3,096 factories which worked during the year only 2,753 factories submitted the return in time. The average total number of persons employed during the year in all industries from which returns were received, was 255,442. The total amount of wages paid in those industries including deductions under was Rs. 78,147,236; of the deductions which amounted to Rs. 24,107, Rs. 15,999 were on account of fines, Rs. 7,259 for breaches of contract and Rs. 2,848 due to damage or loss.

Inspections, Complaints and Prosecutions.— Inspections were made along with the inspections under the Factories Act, special visits being made for purposes of enquiring into complaints of non-payment or delayed payment of wages or illegal deductions from wages of workers. Two applications for delayed payment of wages and one for deductions from wages were filed and disposed of, during the year. In all 11 prosecutions were launched for failure to display notices, to maintain registers properly and to submit returns. Convictions were obtained in 7 cases in which fines imposed ranged from Rs. 5 to Rs. 25.

Statistics in respect of Railway Factories are not included in the report.

(Summarised from the annual report on the Working of Wages Act in the Province of Madras for the year 1945).

Sugar Industry Labour in U.P. and Bihar: Report of Bhatia Committee on Wages.

The Government of the United Provinces and the Government of Bihar had jointly appointed in 1946 a Committee, with Mr. K.B. Bhatia, I.C.S., Secretary Department of Agriculture, U.P., as chairman, to report on wages of workers engaged in the sugar industry of the two provinces. The very short crushing season and dispersal of the industry mainly in the rural area where housing, medical and other facilities are lacking, had led to considerable labour unrest in the sugar industry. The terms of reference of the Committee were: (1) Is it desirable to prescribe any minimum rate of wages for labour in sugar factories of the United Provinces and Bihar? If so, what should such rates be? (2) Should dear food allowance, if any, be paid to labour in those sugar factories over and above the minimum wages? If so, what should the rate be? (3) Should these sugar factories be required to pay any bonus to their workers in the coming season? If so, on what basic ^{rate} should it be calculated?

The report of the Committee was received and considered by the Government of the United Provinces in January 1947. It agrees generally with the conclusions reached by the Committee. It agrees in particular that, at present, and in a single industry it is possible only to fix a total wage without breaking it up into components of a basic wage and a dearness allowance. The United Provinces Government accordingly proposes to request sugar factories in the province immediately to give effect to the wage increases recommended by the Committee in respect of prevailing wages up to Rs. 50 (with marginal adjustments up to Rs. 61). Such increases will have effect from the beginning of the current crushing season. The wage increases recommended by the Committee in the higher wage categories and the question of a retaining fee for the off-season will have to be considered in the light of the probable effect on sugar prices. These two matters will, however, be sympathetically considered and a decision taken at an early date. As regards the question of bonus for the current season, the Committee has accepted the principle that a bonus should be paid on profits.

The conditions of labour in industry in the United Provinces generally leave a good deal to be desired and the Government of the United Provinces had appointed a Labour Inquiry Committee under the chairmanship of Mr. R.R. Bakhale, M.L.C. (Bombay) to make a comprehensive inquiry into matters affecting labour, both in non-seasonal and seasonal industries and to make recommendations. This inquiry will, however, take some time. Meanwhile it was felt that some immediate relief to labour in the sugar industry during the current cane-crushing season is necessary; the Bhatia Committee's recommendations are designed to afford a measure of immediate relief.

(The United Provinces Government Gazette,
Extraordinary, dated 24-1-1947).

General.

Employer-Employee Friction: Bombay Government
appoints Industrial Conditions Enquiry Committee.

On complaints from employers in Bombay about "the increasingly aggressive frame of mind of industrial workers" and general indiscipline affecting efficiency, and from workers about "the obstinate resistance of the employers to the most reasonable demands from labour", the Government of Bombay has appointed an Industrial Conditions Enquiry Committee to investigate the labour conditions obtaining in important industrial establishments in Bombay City, the Bombay Suburban District and the East and West Khandesh Districts. ~~XXXXXXXXXX~~ Mr. T.E. Waterfield, I.C.S., District and Sessions Judge (Chairman); Mr. M.G. Monani, I.C.S., Deputy Secretary to Government, Political and Services Department, and Mr. D.G. Kale, Assistant Commissioner of Labour, Ahmedabad, (Secretary) will be the members of the Committee. The Committee may associate with itself as assessors representatives of employers and of workers in equal number (vide page 22 of the report of this Office for October, 1946).

Terms of Reference.— The terms of reference to the Committee are to examine: (i) "whether production in industries generally and in the cotton textile industry in particular has suffered recently as compared with the peak war-year and with the pre-war period? If so, to what extent? (ii) What are the factors responsible for the fall in production? (iii) Whether absenteeism, indiscipline, and violent behaviour on the part of the employees have increased and now prevail to an unusual extent? (iv) To what extent are economic privations, lack of facilities and ~~unfair~~ unfair treatment responsible for the recent manifestations of labour unrest? What other factors, if any, contribute to this unrest?

The Committee will submit its report to Government as soon as possible and submit an interim report if, in the opinion of the Committee, the existing conditions call for immediate action in any direction.

(Indian Labour Gazette, December, 1946).

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ECONOMIC CONDITIONS.

Damodar Valley Project Conference: Tripartite Agreement reached.

The Damodar Valley Project Conference convened by Mr. C.H. Bhabha, Member for Works, Mines and Power in the Interim Government, met in New Delhi, on 6 and 7-1-1947. The Conference, which was attended by the representatives of the Government of India and the Governments of Bengal and Bihar and a number of colliery and mining organisations, among other matters, considered the establishment of a Damodar Valley Corporation, its constitutions, powers and finance.

New Approach.- During the course of his presidential address, Mr.C.H. Bhabha surveyed the various stages in the progress of the Damodar Valley project (vide page 24 of the report of this Office for July, 1946), and pointed out that the scheme was now ready for implementation. Referring to the problem of organisation, he emphasised that the plan will require a bold, unorthodox and revolutionary approach. The traditional conception of administrative organisation must be replaced by a new constitutional form that cuts across provincial boundaries and the existing structure of provincial rights and obligations. It was only such a regional and autonomous structure that could possess the range and elasticity necessary for the execution of an integrated resources development plan designed to exploit the full economic potentialities of an entire region like the basin of the Damodar.

Tripartite Agreement: Damodar Valley Corporation.- The Conference approved, in principle, the creation of the Damodar Valley Corporation by Central legislation ^{by} getting the Provincial Legislatures of Bihar and Bengal to adopt resolutions on the lines contemplated in Section 103 of the Government of India Act. It was agreed at the conference to have a committee set up to study and recommend on the constitution and powers of the Corporation. That committee would, in addition, ^{make} recommend ^{ations} on the question of apportionment of costs among the three Governments concerned.

The method of resettling displaced persons of the areas where dams and reservoirs are proposed to be constructed was considered. At the ~~instance~~ ^{instance} of Bihar representatives, it was agreed that the affected population should be resettled in conditions not less favourable than those in which they now lived. The Government of Bihar, it was understood, would undertake the resettlement of the dispossessed persons. The whole question would, meanwhile, be referred to the committee mentioned above. Every endeavour would be made to avoid submersion of coal fields, The coal industry would be supplied with necessary details about all the dams and investigations would be continued on problems relating to the availability of sand for stowing.

~~Every endeavour will be made to~~ The construction of the Tilaiya Dam, one of the eight dams comprising the Damodar Valley scheme, will be taken up by the Government of India as early as possible. The work will be entrusted to the Central Technical Power Board and carried through military units or through contractors, in either case utilising local talent and labour as far as possible.

(The Statesman, 7-1-1947;
The Hindustan Times, 7-1-1947;
The Times of India, 16-1-1947).

India-East African Cotton Agreement:
Price of East African Cotton Fixed.

A Conference between the Government of India and the Governments of East Africa and Sudan was held at New Delhi on 14 and 15-1-1947, to discuss arrangements for purchase by India of East African and Sudanese long-staple cotton. The Government of India was represented by Mr. I.I. Chundrigar, Commerce Member, and Sir Raghavan Pillai, Secretary, Commerce Department, and other officials of the Commerce, Finance, and Industries and Supplies Departments of the Government of India. Along with them were associated representatives of the Cotton Textile Mill Industry. The Government of East Africa was represented by Sir Charles Lockhart, and the Government of the Sudan by Mr. G.E. March.

Welcoming the delegation of the Governments of East Africa and Sudan, Mr. Chundrigar recalled India's long-standing connections with the two countries and said that India had been purchaser of the greater portion of their cotton crops from 1932. It was India's ardent desire to maintain and develop trade relations with them. In negotiating an agreement, however, East Africa and the Sudan should keep certain aspects of India's economy in mind. India was controlling not only the price of textiles but also the price of cotton internally. For external markets also, the prices of textiles were controlled, and in spite of the acute shortage of textiles for internal consumption, India had been continuing to supply other countries even at considerable inconvenience to her own people. This was benefiting both East Africa and the Sudan. Referring to the prices of cotton, he said that certain countries whose currencies were over-valued, might be able to offer higher prices for East African and Sudanese cotton, but India was supplying both to East Africa and the Sudan textiles at prices which were almost 50 per cent lower than the prices for similar types of textiles from other countries.

Cotton Purchase Agreement:- As a result of the negotiations, it is reported to have been agreed that India should buy all the available quantity of cotton of all varieties from East Africa and the Sudan at a rate of Rs. 70 higher than that paid in the preceding year. The agreed rate in respect of East African cotton is said to be Rs. 920 per candy, as against the previous year's rate of Rs. 850.

The representatives of both the seller countries pleaded for substantially higher rates of about Rs. 1000/- per candy. The demand for enhanced price was met by the Indian representatives by the argument that India supplied to these countries textiles amounting to 50 million yards at old price levels.

Following the agreement reached, India is expected to receive in 1947 from these two countries more than 300,000 bales, about 70,000 bales in excess of last year's receipts.

Standardisation of Indian Products :
Progress of Indian Standards Institutions.

The inaugural meeting of the General Council of the Indian Standards Institution (vide page 27 of the report of this Office for September 1946) was held at New Delhi, on 6-1-1947. The meeting, presided over by Dr. John Matthai, Member for Industries and Supplies in the Interim Government, was attended by representatives of the Central and provincial Governments, States, the Scientific and Industrial Research Council, the Imperial Council of Agricultural Research, the Institution of Engineers, the National Institute of Science, the Federation of Indian Chambers of Commerce, the Associated Chambers of Commerce, the Federation of Muslim Chambers of Commerce and the All-India Manufacturers' Organisation.

Need to Standardise Products.- Addressing the Council, Dr. Matthai expressed the hope that the benefits of standardisation would not be confined to larger industries, but would go far to help the position of medium and small scale industries. Pointing out that the conditions of India, particularly in raw materials and in the general set-up of her industries, differed from those of other countries, Dr. Matthai said that the requirements of purchasers of one country differed sometimes in very important respects from the requirements of purchasers in other countries. It was high time for India to fall into line with other industrial countries, 28 of which had their own Standards Institutions. The Government of India recognised, that it should take an active part in the formation of the institution. Towards the work of the maintenance of the institution, the Central Government had sanctioned Rs. 100,000 for the next four years. The response received from the industrialists in the country had been definitely encouraging. The institution has now enrolled 131 corporate bodies as sustaining members and eight individual members, whose total contribution would amount to about Rs. 38,000 a year.

The institution will be managed by a General Council, consisting of the Member for Industries and Supplies (President), ~~for~~ and 64 representatives of the Central Government Departments, Provinces and States, Research Institutions and Chambers of Commerce. It will have five sections for textiles, engineering, building, chemical and food and agricultural products, each controlled by a Divisional Council. The ~~actual~~ intention, at present, is that the institution should start actively with engineering and textile products; and as more experience is gathered and the work of the institution receives ~~and~~ the confidence of industrialists and consumers, to extend the activities to other divisions. The actual preparation of standards will be done by small committees of experts representing the various interests such as ~~the~~ producers, consumers and ~~technical~~ technical experts.

(The Hindu, dated 8-1-1947).

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X Nationalisation of Mineral Rights:
National Mineral Policy Conference,
New Delhi, 10 and 13-1-1947.

Representatives of the Central, Provincial and States' Governments and other interests concerned (trade, industry and labour) attended the National Mineral Policy Conference (for agenda and other details vide pages ~~17-18~~ 17-18 of the report of this Office for December, 1946), held in two sections at New Delhi on 10 and 13-1-1947. The Conference was presided over by Mr. C.H. Bhabha, Member for Works, Mines and Power in the Interim Government.

Need for Planned Mineral Policy.- Addressing the first section of the conference (attended by representatives of Indian mining, commercial and labour interests) on 10-1-1946, Mr. C.H. Bhabha stressed the need for legislation for the control and regulation of mining on the one hand and guidance and supervision of mineral exploitation on the other. What India wanted was ~~the~~ mobilization of her mineral resources for the attainment of certain specific and well-defined economic ends. Referring to the international problem of the mineral trade resulting from the unequal distribution of mineral reserves, he said that a certain measure of unified commercial control, possibly international in scope, may be a logical consequence of the limited number of large sources of supply. ~~for~~ India which is deficient in some important minerals, cannot obviously ignore the international aspect of the problem which must necessarily condition her policy, but it does not follow that India should accept free trade in minerals as part of her policy. Interpreting the clause in the Atlantic Charter which refers to access on equal terms to the trade and raw materials of the world to all nations, he said that he saw nothing in the declaration which can conflict in any appreciable measure with any policy that India was likely to adopt.

Pointing out that the wasting nature of mineral assets made their conservation a matter of supreme importance in the formulation and execution of a mineral policy, he said that the administrative machinery that will be required by the State is a matter of great importance. The growing interest of the State in mineral development did not, however, imply that the State will or can overnight participate directly in mining or metallurgical operations. Large sectors of India's mineral economy must of necessity be left to private exploitation subject to State control and regulation. Dealing with the complaint that Government had so far done little to assist private enterprise in mineral development, he pointed out that if the proposal for a Bureau of Mines is accepted and energetically implemented, India ~~will~~ will soon possess an expert organ of executive action which will be in a position to render all necessary assistance to Indians anxious to develop India's mineral resources.

Conclusions.- The following are the more important conclusions reached by the Conference:

Predominance of Foreign Interests to cease.- With a view to ~~ensure~~ the ensurance of Indian national interests, the Conference approved the suggestion to end the "present phase of predominance of foreign interests in the Indian mineral industry, and make it national".

Principle of Acquisition of Mineral Rights to be applied to Coal Industry immediately.- Unanimity prevailed at the Conference on the immediate need on the part of the Central Government to formulate and pursue a planned mineral policy. There was wide agreement on the need for central co-ordination and regulation of certain key minerals, such as coal, petrolsum, mica, beryl, chromite, ilmenite, sillimanite, manganese-ore, monazite, rare-earth minerals, all uranium and thorium-bearing mineral and piezo quartz. While the principle of acquisition of mineral rights was generally approved, opinion favoured its immediate application in the case of the coal industry. State control over utilisation and development of minerals found unanimous support and speedy legislation to secure the object was urged by all interests concerned.

Nationalisation of other Minerals to be introduced gradually.- While the nationalisation of mineral resources was unanimously favoured by the members present, the suggestion that private interests need not be roughly dealt with and that a gradual approach should be made in the direction of nationalisation was agreed to. The Conference is understood to have agreed further that the development of India's mineral resources should be made on an all-India basis, as there are provinces which may be unequal to the task of tapping their vast potentialities. The present practice of giving 'exploratory permits' to foreign companies at nominal rents which gave them also the right of mining operations is understood to have been deprecated by the members present.

Bureau of Mines to be set up.- The proposal of the Government of India to set up a Bureau of Mines to serve as an executive machinery for the production, conservation and utilisation of minerals was commended by all the representatives.

Training of Mining Personnel.- It was agreed that foreign companies dealing in Indian minerals should be asked to take Indian personnel for training. In order to enforce this decision, the need for suitable legislation being immediately undertaken by the Central Government was also stressed.

Central Executive Machinery for Control of Minerals Policy.- The second section of the Conference, attended by representatives of Central, Provincial and States' Governments, was held on 13-1-1947; ~~discussed~~ it discussed the legislative and administrative implications of the new mineral policy proposed by the Central Government and approved at the first section of the Conference. The second section was also attended by Pandit Jawaharlal Nehru, Vice-President of the Interim Government, and Mr. I.I. Chundrigar, Member of for Commerce in the Interim Government.

Addressing the Conference, Pandit Nehru declared that it was not the intention of the Government of India to deprive Provinces and States of their rights in regard to the mineral resources within their respective boundaries, but a Central planning agency will be necessary for the conservation and utilization of mineral assets in all parts of the country.

Mr. C.H. Bhabha, in his presidential address, emphasized the need for an all-India legislative framework to provide for central regulation of conditions under which a co-ordinated scheme of mineral development could be worked out. Referring to the recommendation made by the Indian Coal-fields Committee (vide pages 37-38 of the report of this Office for October, 1946) for the State acquisition of coal-mines, he pointed out that State acquisition of rights in coal alone could hardly serve India's broader objectives of a national mineral policy, and that the State should acquire rights of all minerals.

conclusions. - The Conference revealed unanimity among the provinces and States on the necessity of obtaining assistance and advice from the Centre on mineral development. There was complete agreement on the question of acquisition of mineral rights by the State. Questions regarding legislation by the Centre and the functions and powers of the Bureau of Mines and were also discussed.

(The Statesman, 11 and 15-1-1947;
The Times of India, 13 and 15-1-1947).

Industrial Research Endowment: Shri Ram Research Institute, Delhi.

Industrial research in India will be considerably stimulated by the Shri Ram Industrial Research Institute, Delhi, the foundation stone of which was laid by Dr. John Matthai, Minister for Industries and Civil Supplies, Government of India, on 6-1-1947; the Institute is the endowment of Sir Shri Ram, a prominent Indian industrialist and its cost is about Rs. 2 million.

Explaining the aims and objects of the new foundation, Sir Shri Ram said in his ~~opinion~~ opening speech that the Institute was designed for carrying out industrial research and investigating immediate as well as long-range technical problems. Whatever research is completed in the laboratories of the Institute will be tried out in pilot plans on a semi-commercial scale and will be worked out in detail to the stage where it will be ready for full application in industry. Laboratory methods will be translated into large-scale production methods; thus the Institute will carry out applied and fundamental research aiming to serve the immediate and remote needs of industries. He pointed out that Indian industries have so far been very unmindful of the needs for industrial research. Expenditure on industrial research which industrialists and the Government have so far incurred is negligible compared to what has been done in other advanced countries, with the result that these countries had made great progress in technique and organisation, while India had lagged behind.

Dr. Matthai, while thanking the donor, urged that side by side with industrial research there should also be research in the matter of human relationships and suggested the setting up of a national institute of industrial relationships.

(The National Call, 7-1-1947).

Railway Rating System simplified: 'Telescopic Glass'
Rates for goods to be introduced experimentally from
1-2-1947.

The Railway Board has decided in January 1947 to simplify the rating system on railways and to introduce a system of telescopic ~~xxxxx~~ class rates on continuous mileage from 1-2-1947, for manures, oil-cake and bone-meal for manures; the new system introduced experimentally, replaces the existing flat scales of 'class' rates and innumerable 'schedules' applied by individual railways on a discontinuous mileage basis.

The proposed scale plus terminal, transshipment and other charges, when applicable, will be based on .140 pie per maund per mile for the first 200 miles and will thereafter decline at a steady rate up to .128 pie per maund per mile at 1,500 miles at which distance the rate per maund will be Re. 1. This rate will apply equally to all movements in excess of 1,500 miles. The new scale involves no change in rates over the major railways for distances up to 150 miles.

(The Bombay Chronicle, 10-1-1947).

Central Board of Transport set up.

With a view to co-ordinating the planning and execution of transport development, ensuring the maximum co-ordination of all forms of transport and the elimination of wasteful competition, and to consider major transport problems that arise from time to time, the Government of India has decided to set up a Central Board of Transport. The Board will be a standing body, advisory ~~wt~~ in its functions and will meet at frequent intervals.

The Board will be composed as follows: Col. R.B. Emerson, Chief Commissioner of Railways (Chairman); Mr. S. Chakravarti, I.C.S., Deputy Secretary, Transport Department (Secretary); Members: Secretary, Transport Department; Secretary, Communication Department; the Director-General of Civil Aviation; a representative of the Commerce Department; the Financial Commissioner, Railways; the Financial Adviser, Communications.

(The Statesman, 18-1-1947).

Working Class Cost of Living Index for Various Centres in India during January and February, 1946.

The index numbers of the cost of living for working classes in various centres of India registered the following changes during January and February 1946, as compared with December, 1945.

<u>Name of Centre</u>	<u>Base = 100</u>	<u>Dec. 45.</u>	<u>January, 46.</u>	<u>Feb. 46.</u>
Bombay	Year ending June 1934	242	242	245
Ahmedabad	Year ending July 1937	205	195	190
Sholapur	Year ending January 1928	204	201	197
Nagpur	August 1939	272	275	279
Ludhiana	1931-35	409	402	291
Cawnpore	August 1939	310	305	311
Patna	Average cost of living for five years preceding 1914	305	324	332
Jamshedpur	Ditto	323	324	325
Jharia	Ditto	350	355	349
Madras	Year ending June 1936	224	225	227
Madura	Ditto	244	244	239
Coimbatore	Ditto	238	235	237

(Monthly Survey of Business Conditions in India for January-February, 1946).

✓ Oil Prospecting in India: B.O.C. starts operations in Sind and Punjab.

Considerable augmentation of India's oil resources and incidentally of employment possibilities also is likely to result from the plans that are now taking shape to restart in India oil prospecting operations, which were suspended during the war. Sind and the Punjab, are taking the lead in the matter.

Dr. Brown, Chief Geophysicist of the Burma Oil Company (India Concessions) Ltd., who recently arrived in Karachi to direct the new oil operations, is of opinion that there was a big gap between the Persian oil-fields and the Assam-Burma oil-wells in the oil belt from West to East, and that therefore it is safe to conclude that oil did exist and might be found in Sind and the Punjab in the particular areas chosen for boring operations after intensive surface investigations. The Burma Oil Company has already spent Rs. 50 million in India and Burma before the war, and may have to spend at least the same amount before oil could be discovered. In Sind alone the company has by now spent Rs. 10 million on boring operations. Dr. Brown expects to have oil wells ready at Chakwal and Iakhra, both in the Sind-Punjab area, by 1950.

(The Hindustan Times, 20-1-1947).

Trade of India in 1943-1944*

General World Situation: Rise of Industrial Activities.- The year under review saw the tide of war turning in favour of the United Nations. An unparalleled level of productive activity was witnessed in the United Kingdom. In both the countries, industrial mobilization was fully attained during the year under review. The greater part of the productive activity was directed to war purposes, and the production of consumer goods for civilian use was cut down to only essential needs. Shortages of manpower and materials, which had already begun to appear in the preceding year, became more pronounced during 1943-44. Towards the end of the year, however, productive activity was showing distinct signs of levelling off, and consequently the manpower and raw material position began to ease. Though the increase in Defence expenditure continued during 1943-44 it did not exert the same pressure on the price structure as in the preceding year. In the United Kingdom as a result of the curtailment of non-essential production and the strict regimentation of industry, industrial profits had fallen during 1939-42. The Economist's chain index of profits (1921=100) which had stood at 128.7 in 1938 declined to 90.7 in 1942. But in 1943, for the first time, industrial profits showed a rise, the index appreciating to 93.1. In the United States, corporate earnings before taxation continued to rise and reached record levels in 1943. In contrast with a small decline of 6 per cent in profits after taxation registered in the preceding year, it was estimated that such profits increased by about 7 per cent during 1943. In India the chain index of industrial profits reached the new record figure of 178 (1928=100) in 1943 as compared with 169 in 1942. During 1943-44 the inflationary tendencies were largely kept in check as a result of increased taxation and the mobilization of saving which drew off the excess purchasing power in the hands of consumers, combined with a stricter enforcement of price control and the introduction of rationing in respect of consumer goods.

Supply of Raw Material: Position Improves.- One of the important aspects of the world commercial situation was the shortage of raw materials experienced by all the United Nations after the outbreak of the war with Japan. The Combined Boards, set up in January 1942 to deal with the situation, were invested with the functions of reviewing the supply position in respect of each commodity and of allocating the available supplies among the United Nations. In 1943, the raw material position showed signs of improvement, particularly during the latter half of the year. Among the factors responsible for this improvement may be mentioned the successful completion of the projects undertaken in 1942 to increase raw material supplies, the improvement of the shipping position brought about by the successful campaign against enemy submarines, the increased new ship construction, and finally the command of the Allies over the battle-fields which resulted in more "battle scrap" being available. As a result of the

* Office of the Economic Adviser, Government of India: Review of the Trade of India in 1943-44; published by the Order of the Governor-General in Council; Published by the Manager of Publications, Delhi; Printed by the Manager, Government of India Press, Calcutta, 1946; Price Rs. 4 Annas 2 or 6s. 6d. Pages ix + 254. (A copy of Review of the Trade of India in 1943-44 sent to Montreal under New Delhi Office Minute No. D.1/124/47 dated 1-2-1947; another copy was sent to the Geneva Office with this Office's Minute No. D.1/125/47 dated 1-2-1947).

showed an upward trend during the first half of the year under review, but thereafter, the trend was downward.

Agricultural Prices: Rising Tendencies in India.- The outbreak of War with Japan in December 1941 profoundly affected the agricultural situation in India. The Japanese occupation of Malaya, Burma and the Dutch East Indies cut off an important source of several agricultural and other commodities for the United Nations. India's importance as a source of supply of these commodities therefore increased. With the increasing requirements of the United Nations as well as the increasing domestic demand, agricultural prices in India began to rise. The rise in prices during 1942-43 was steep, the index number of wholesale prices of agricultural commodities (Base: 19th August 1939=100) appreciating from 127 in March 1942 to 251 in March 1943. The rise in the prices observed during 1942-43 continued during the early months of the year under review. The situation during these months was becoming critical and prices of rice and wheat especially were soaring up. The general index appreciated from 251 in March 1943 to 305 in June. From July a downward trend in the prices of agricultural commodities was noticeable, though the trend was not shared by all the commodities comprising the index. The ~~xxxxx~~ index fell to 292 in July and gradually declined to 231 in March 1944. The adoption of various measures by the Government of India regarding the regulation of food prices and the control of trading in futures in such commodities as oilseeds, copra, spices, etc., was largely responsible for the arrest of the upward trend in prices and their decline during the latter part of the year.

Increase of Area under Food Crops: Famine condition in Bengal.- During the year under review there was an increase in the area under all the important crops, except wheat and jute, as compared with the preceding year. The yield also of all the principal crops except wheat, jute and linseed showed an appreciable increase. In the case of linseed, while the area showed an increase of 3 per cent as compared with the preceding year, the yield actually declined by 1 per cent, this being mainly due to the unfavourable weather conditions. The food crisis in India which arose after the fall of Burma and the consequent loss of rice imports from that country had already reached an acute stage during the preceding year. In the early months of the year under review the food situation in Bengal became critical and famine conditions prevailed in this Province causing a large number of ~~thousands~~ deaths due to starvation. Bombay, Travancore and Cochin, which in normal times used to import their supplies of rice from outside sources such as Burma, etc., were also severely affected as a result of the cessation of such supplies. Prices of food-grains rose steeply; transport difficulties also aggravated the problem and many consuming centres found it difficult to get adequate supplies of foodstuffs. Hoarding was resorted to on a large scale and black markets prevailed in all the foodgrains.

During latter months of the year under review, the food situation, however, eased considerably as a result of several measures taken by the Government, for the procurement and distribution of food resources throughout the country. Further, rationing had also been introduced in a large number of Provinces. By the end of March 1944 rationing schemes were in operation in 20 towns or municipal areas with a population of ~~100,000~~ ^{1,00,000} or over, in 17 towns with a population of ~~50,000~~ ^{50,000} or over and in 66 smaller towns, — 103 towns in all involving 25 million people. Substantial quantities of foodgrains were imported and all export of foodgrains was prohibited from July 1943.

Industrial Conditions : Demand/outstrips Supply.- With the rising tempo of the war effort and the steady expansion of purchasing power in the hands of civilian consumers, Indian industries were faced with an increasing pressure of demand throughout the year under review. The shortages of consumer goods had become more acute than ever and the prices of several classes of essential industrial products had risen to unprecedented heights. The situation called for an all-out effort on the part of industry and the State to exploit the domestic industrial resources, both by ~~the~~ way of securing an expansion of output in existing lines and producing indigenous substitutes for the numerous items of consumer goods and military stores which could no longer be obtained from abroad. In both these respects, the results achieved were not unsatisfactory. During the year under review, almost every industry suffered from a shortage of coal which was due first to the shortage of wagons and later to the insufficient raisings at the mines. During certain months, the coal position was so difficult as to cause several factories to close down. The difficulty of obtaining the necessary plant, spare parts and stores from abroad also stood in the way of expanding production to the desired extent. During the year under review, Government assumed a greater measure of control over Indian industries than in previous years. In May 1943, the Department of Industries and Civil Supplies was established and one of the first tasks undertaken by this Department was the evolution of a comprehensive system of control over the production and distribution of cotton textiles. The other classes of consumer goods also called for similar action and the Department instituted several measures to eliminate black markets and to make consumer goods available to the public at reasonable prices.

Upward Trend of Industrial Prices.- During the first four months of 1943-44, industrial prices showed a pronounced upward trend, but in subsequent months due to the Cotton Cloth and Yarn (Control) Order issued in June and the promulgation of the Hoarding and Profiteering Prevention Ordinance in October, the prices of most manufactured articles were brought effectively under control. Over the year as a whole, the index number of prices of manufactured articles (19th August 1939=100), compiled by the Office of the Economic Adviser, showed a substantial rise, the index standing at 252.3 in March 1944, as compared with 227.0 in March 1943, but the rise was limited to only 11.1 per cent as compared with a rise of 29.7 per cent between March 1942 and March 1943. Prices of Cotton manufactures (indigenous and foreign) rose during the first quarter of the year under review, the index rising from 469 in April to 513 in June, which was the peak for the year. Prices of jute manufactures, on the other hand, were on the upward grade throughout the year under review—the index appreciating from 220 to 255 between March 1943 and March 1944. Prices of coal, cement and leather also advanced during the same period, the index numbers rising from 155, 146 and 140 to 272, 189 and 189 respectively between March 1943 and March 1944. There was a further increase in the controlled prices of sugar and petrol, the indices for these two articles stood at 151 and 176 respectively in March 1944 as compared with 143 and 166 respectively a year back. The controlled price of kerosene was, however, reduced—the index number stood at 178 in March 1944 as compared with 194 in March 1943. The controlled prices of iron and steel continued to remain stationary as in the previous year.

Industrial Production.- A composite index of industrial production has not yet been constructed for India. It is hoped that full information will be available when the Industrial Statistics Act passed by the Central Assembly in February 1942, is implemented in all the provinces. During the year under review the production of cotton piecegoods and sugar increased but the production of jute manufactures, paper and coal showed a decline. The fall of production in the manufacture of jute and paper was chiefly on account of coal shortage. In the coal industry where labour shortage was

the principal cause of the reduced raisings, the extreme step of allowing women to work in the coal mines was taken. During the year under review, the total value of the orders placed by the Supply Department amounted to Rs. 1,370 million as compared with Rs. 2,580 million in the previous year. Besides, the Indian Ordnance factories turned out munitions worth Rs. 202 million as against Rs. 166 million during the ~~xxxxxx~~ preceding year. Ordnance factories in ~~India~~ India expanded considerably and in the middle of 1944 the number of such factories was three times that at the commencement of the war, while the staff and labour force had risen from 15,000 to 100,000. Under the factory training scheme which was still in operation, the total number of Assistant Works Managers, Supervisors and Tool Setters, highly/skilled artisans and skilled and semi-skilled artisans rose to 48,460, besides 2,656 men still under training.

Increase in Industrial Disputes.- There were 716 strikes during 1943 as compared with 694 in the ~~xxxxxx~~ preceding year. The number of men involved and working days lost were 525,000 and 2,342,000 as against 773,000 and 5,780,000 respectively in 1942. There were 15 stoppages involving 5,000 or more but less than 10,000 workers (and 3 involving more than 10,000 workers). Textile (cotton, silk, woollen and jute) mills accounted for 37% of the strikes, 71% of the workers involved and 72% of the loss in the mandays. In 397, or 55% of the total disputes, the demands related mainly to wages or bonus. In 348 out of the 716 strikes the workers were wholly or partially successful in getting ~~xxx~~ their grievances redressed.

Rise in Index Number of Wholesale Prices: March 1942-215: March 1943-252.- The steep rise in the general level of prices which occurred in 1942-43 continued during the first three months of the year under review. The general index (compiled by the Office of the Economic Adviser to the Government of India with 19th August 1939 as the base) which had stood at 215.5 in March 1943 advanced to 227.9 in April, 236.7 in May and 241.7 in June, the highest for the year. At this stage the rise in prices was arrested mainly as a result of the Government's anti-inflationary drive and the adoption of more effective control measures in respect of some of the important commodities. The index came down for the first time in July 1943 when it fell to 239.3. During the latter part of the year under review till February the index showed a declining tendency and fluctuated narrowly between 235.7 and 240.9. In March 1944, however, the index sharply declined to 232.1 from 236.7 in the preceding month. Further measures especially in regard to control of commodities, adopted by the Government of India were responsible for the stabilization of prices at lower levels during this period of the year under review. Between March 1943 and March 1944 the index rose from 215.5 to 232.1, a rise of 9 per cent as against a rise of 49 per cent between March 1942 and March 1943.

Working Classes' Cost of Living Index.- The year under review witnessed a steady increase in the cost of living of the working classes in India. Between March 1943 and March 1944 the Bombay index rose by 9 per cent, the Lahore index by 15 per cent, and the Cawnpore and Jamsedpur indices by 19 per cent each and the Madras index by 18 per cent. Compared with August 1939, the increases in the Bombay, Madras, Cawnpore, Lahore and Jamsedpur indices amounted to 115, 105, 194, 192 and 192 per cent respectively.

Trading Conditions.- Trading conditions in 1943-44 showed a distinct improvement as compared with the preceding year during which India's foreign trade had reached its lowest ebb since the outbreak of war. The total foreign trade of British India increased from Rs. 5,050 million in 1942-43 to Rs. 3,290 million in 1943-44, an increase of Rs. 240 million as compared with 1942-43 and of Rs. 80 million as compared with the pre-war year 1938-39. It may be noted, however, that these statistics do not include either the value of imports and exports on defence account and, therefore, do not account for the entire volume of goods imported into or exported from the country. The volume of trade covered by the excluded items may however be presumed to have increased considerably during the year under review. The value of exports of private merchandise from British India increased from Rs. 1,880 million in 1942-43 to Rs. 1,990 million in 1943-44, an increase of 6 per cent while the value of imports into British India on private ~~xxx~~ account increased from Rs. 1,100 million in 1942-43 to ~~xxxxxxxxxxxxxxxx~~ Rs. 1,190 million during 1943-44, an increase of more than 8 per cent. The value of the re-export trade in private merchandise also increased from Rs. 70 million in 1942-43 to Rs. 110 million during the year under review.

Export Trade.- Export of all principal groups of commodities, except postal articles, increased considerably during the year under review. In the Food, Drink and Tobacco group the most substantial increase was in respect of tea whose exports increased by Rs. 59 million from Rs. 516.4 million in 1942-43 to Rs. 575.4 million during the year under review. There ~~were~~ were, however, significant decreases in such articles as grain, pulse and flour, tobacco, sugar and spices. Exports of grain, ~~xxx~~ pulses and flour fell further during the year by Rs. 46.2 million. Owing to the severe shortage of foodgrains in the country their exports continued to be rigidly curtailed. In the group relating to raw material and produce and articles mainly manufactured the principal increases in exports were recorded in respect of cotton (raw and waste), raw hides and skins, seeds and raw wool. The loss of the Japanese market was mainly responsible for the sharp fall in the exports of raw cotton during 1942-43, but during the year under review, exports of raw cotton showed an improvement, increasing to Rs. 74.9 million or by Rs. 21.8 million from Rs. 53.4 million in 1942-43. Exports under the group, for articles wholly or mainly manufactured, increased from Rs. 955.7 million in 1942-43 to Rs. 1046.0 million in 1943-44, i.e., an increase of Rs. 92.3 million. The increase in the value of exports under this group since the outbreak of the war, with the exception of 1942-43, is significant as it is indicative of the growing dependence, since the outbreak of war of certain countries on India for their requirements of certain goods like cotton manufactures, jute manufactures, hides and skins, chemicals (including drugs and medicines) metals (including manufactures thereof) and rubber manufactures.

Import Trade.- During the year under review the value of imports of articles wholly or mainly manufactured declined from Rs. 927.9 million in the pre-war year ~~1938-39~~ (1938-39) to Rs. 451.2 million in 1943-44. On the other hand, the value of imports ~~of~~ of raw materials and produce and articles mainly unmanufactured, increased from Rs. 531.8 million in 1938-39 to Rs. 639.4 million in 1943-44. While imports of articles wholly or mainly manufactured declined, their exports rose from Rs. 476.1 million in 1938-39 to Rs. 1046 million in 1943-44. In the pre-war years, the value of exports of raw materials, used to figure largely in India's export trade. But in recent years the value of exports under this group has fallen off considerably and stood at Rs. 446.4 million in 1943-44 as compared with Rs. 732.9 million in 1938-39. These trends are partly explained by the progressive industrialization of the country especially since the outbreak of the war, ~~and~~ and partly by other factors brought about by the war itself.

Balance of Trade.— The balance of trade in private merchandise in favour of India increased to Rs. 914.1 million in 1943-44, the highest in the preceding year. The increase as compared with Rs. 843.6 million of Rs. 170.8 million (1938-39) was Rs. 740.3 million. These figures do not include the value of stores exported abroad for Defence purposes or the value of imports on this account. It is probable that the aggregate merchandise balance of trade would be much greater if the value of transactions on Defence account were included.

(Trade of India, 1942-45, was reviewed at pages 10-14 of this Office's report for May, 1945).

Rayon Industry to be started in India.

The Government of Mysore has completed plans for setting up a rayon spinning mill at an estimated cost of Rs. 20 million at Kannambadi about 16 miles from Mysore City where water and power facilities are abundantly available. This will be the first mill of its kind in India. Two years of research at the Mysore State's Forest Research Institute has yielded definite results that first grade rayon could be produced from bamboo, a material found in abundance in Mysore, but now put to less economic use.

It is also understood that a new company is being floated for the manufacture of rayon yarn (artificial silk) in which the Tatas have a large interest. The Government of India has recently sanctioned this scheme and granted the necessary dollar exchange to buy the machinery in the U.S.A. The plant will be installed near Palyan, outside Bombay. It is further learned that the promoters have entered into an agreement with a leading American rayon yarn manufacturing concern, which has agreed to give all technical assistance, including designing, direction and operation of the plant.

A plan to render India self-sufficient in production of rayon at the end of five years has been revealed by Mr. Henry von Kohorn, Vice-President of Oscar Kohorn and Company, Ltd., U.S.A. He is reported to be conducting negotiations with the Governments of several large Indian States and with large Indian firms for the construction of a minimum of seven and a maximum of fifteen rayon plants. These would be sufficient to meet requirements which the Indian Government estimates at 60,000,000 tons annually, based on pre-war import figures for rayon supplied by Italy, Japan and ~~British~~ Britain.

(The Indian Textile Journal, December, 1946).

Madras Agricultural Income-Tax Bill, 1947:
Incomes of Rs. 5,000 and over to be taxed.

The Government of Madras has gazetted on 2-1-1947 the Agricultural Income Tax Bill (vide page 9 of this Office's report for November 1946) which it proposes to introduce shortly. The Bill extends to the whole of the Province of Madras and levies the tax on every person whose total agricultural income is not less than Rs. 5,000. In calculating the total agricultural income, cultivation expenses, amounts paid as land revenue or rent to a superior landlord, interest paid on mortgage if the land is subject to a mortgage and the like have been excluded. Exemption from taxation has also been allowed on payments made for insurance on the life of the assessee or of a wife or husband of the assessee, or in the case of a joint family on the life of any member of the family, subject to a maximum of one-sixth of the total income.

The rates of tax are: On the first Rs. 1,500 of total agricultural income—Nil; On the next Rs. 3,500—Nine pies in the rupee; On the next Rs. 5,000—One annas in the rupee; On the next Rs. 5,000—One anna and six pies in the rupee; On the next Rs. 5000—Two annas in the rupee; on the next Rs. 30,000—Three annas in the rupee; On the balance—Four annas in the rupee. It is provided that (1) no agricultural income-tax shall be payable on a total agricultural income which is less than five thousand rupees; (2) the agricultural income-tax payable shall in no case exceed one-half of the amount by which the total agricultural income exceeds five thousand rupees.

The statement of objects and Reasons, appended to the Bill, states that the Government considers it necessary to impose a tax on agricultural income not only because it is equitable to do so, but also to find additional sources of revenue to meet the loss of revenue on account of the introduction of prohibition, and the expenditure on several new schemes undertaken for the benefit of the public. Tax on agricultural income is now levied in the Province of Bengal, Assam, Bihar and in the State of Travancore and it is also under the active consideration of certain other provinces.

(The Fort St. George Gazette, Part IV-A,
Extraordinary, dated 2-1-1947, pages 1-24).

Nationalisation of Passenger-Bus Services:
Bombay Government's Scheme.

The Government of Bombay on 20-1-1947 published a draft scheme to nationalise passenger-bus services in the province (vide page 22 of the report of this Office for November, 1946) with the twofold object: (1) increasing the operation efficiency of road transport services, ensuring that they are run in the public interest and that any profits accruing from such services are utilised for public benefit and (2) co-ordination of existing road transport services with rail and sea transport to ensure maximum convenience consistent with efficient and economic administration and elimination of wasteful overlapping. The Government's scheme envisages taking over the road transport services in the province by stages during the three years beginning from the financial year 1947-48. The scheme is to cover the whole of the Bombay Province, including any state or routes through states if the states concerned agree. ^{Notified} Municipal areas with a population of over 150,000 ^{will be included from the revenue} a five per cent limit has been placed

on dividends accruing as a result of the services being run by Government. ~~will be excluded from the scheme.~~ While the scheme is intended to cover both passenger and goods services, only the former are to be taken over by the Board in the first instance. It is not also proposed to take over the entire passenger traffic immediately. The Railways are to be given a 25 per cent financial interest in the scheme.

Provincial Road Transport Board to be set up.- A Statutory Provincial Road Transport Board is to be set up in which the Bombay Government would have a controlling interest—75 per cent interest—in both finance and administration. The province is to be divided into zones and a manager, appointed by the ~~public~~ Public Service Commission, would be in charge of each zone. The Board ~~will~~ would work independently, within its terms of reference, but subject to general supervision by Government and would be advised by a provincial advisory Council, which would also be set up. Central legislation, which may take some time, would be necessary for the establishment of a statutory profit-making body like the contemplated Provincial Road Transport Board, but meanwhile the Provincial Government would amend the Motor Vehicles Act to acquire power to terminate existing permits.

With nationalisation, the financial interests of existing operators would be eliminated. Some compensation, however, is to be paid to holders of unexpired permits, taken over by the Government. ~~The holders of existing permits~~ Existing operators would, however, be paid for their vehicles, premises and equipment taken over by the Transport Board.

(The Bombay Chronicle, 22-1-1947);
The Bombay Government Gazette,
Extraordinary, dated 18-1-1947,
Pages 289-296).

Drop in Railway Revenues: Standing Finance Committee
considers Economy Measures.

A number of questions relating to railway finances and administrative policy came up for discussion at the meeting of the Standing Finance Committee for Railways held at New Delhi on 28 and 29-1-1947, Dr. John Matthai, Member for Transport in the Interim Government, presiding.

The Committee noted very substantial drops in earnings and the members felt that economy should be observed by dispensing with the temporary staff and by amalgamating various administrations in order to cheapen overhead charges and other costs. The long standing issue regarding the advisability or otherwise of the abolition of the lower gazetted Service of the railways was also debated by the Committee. The consensus of opinion was against abolition. This view was taken largely in the interest of Indian employees.

The question of construction of new wagons to replace the old model wagons in use on many railways at present led to discussion of the point whether orders for wagon construction should be placed with private firms. The Committee was of opinion that wagon manufacture should hereafter be undertaken by the State, but no final decision was made.

(The Hindustan Times, 30-1-1947).

Continuance of Protection to (a) Textiles,
(b) Iron and Steel, (c) Paper, and (d) Sugar
Industries: Tariff Board to conduct
Enquiries.

The period of protection granted, on the recommendation of the previous Tariff Boards, to the sugar, paper and wood pulp, cotton textile and iron and steel industries expired during the early years of the war. It was, however, extended from ~~1943~~ to time, the last extension agreed to by the legislature being due to expire on the 31-3-1947. Many of the economic uncertainties which made it impossible to conduct a full-dress tariff enquiry during the war are still continuing and pending such an enquiry, the Government of India, Department of Commerce, have asked the Tariff Board to submit its considered opinion with regard to the necessity or otherwise of continuing the existing measures of protection afforded to these industries beyond the 31-3-1947, so that the necessary legislation could be undertaken during the 1947 budget session of the Indian Legislature. The Board is, therefore, convening separate conferences of these ~~industries~~ interests concerned in each of these industries, at Bombay on the following dates:-

- (1) Cotton Textiles manufacturing industry—21st and 22nd January, 1947.
- (2) Iron and steel manufacturing industry—27th and 28th January, 1947.
- (3) Paper and wood pulp industry—5th and 6th February, 1947.
- (4) Sugar industry—12th and 13th February, 1947.

Inquiry into certain Wartime Industries postponed.- In view of this urgent reference, the Board has been obliged to postpone the enquiries in connection with certain wartime industries, viz., ^{rubber} manufactures, machine tools and plywood tea-chests. The dates to which these enquiries have been postponed will be notified shortly.

(For brief reports of conference on ~~existing~~ cotton textile industry see pages 33-34 of this report and of conference on the Iron and Steel industry see pages 32 of this report).

(The Gazette of India Extraordinary, dated 20-1-1947; and the Bombay Chronicle, 11-1-1947).

The Bihar Sales Tax Bill, 1947, gazetted.

The Government of Bihar gazetted on ~~27-1-1947~~ 8-1-1947 the Bihar Sales Tax Bill, 1947. In 1944 the Bihar Sales Tax Act, 1944, was enacted by the Government of Bihar under section 93 (the Bihar legislature was not functioning then); the present bill reenacts the 1944 Act, with certain improvements and changes. By removing the existing exemption, which is granted to articles exported from the province, the Government expects to obtain a substantial increase in revenues and a small share in the mineral wealth of the Province. Small dealers will be exempted from the sales tax by raising the limit of the taxable turnover from Rs. 5,000 to Rs. 10,000. The tax is proposed to ^{be} levied at the rate of one quarter of an anna in the rupee on the taxable turnover.

(The Bihar Gazette, dated 8-1-1947, part V, pages 1-27).

Protection to Iron and Steel Industry: Tariff Board
Enquiry.

A representative conference of steel interests—manufacturers, importers, merchants, consumers, officials of the Indian Tariff Board and representatives of the Government of India met at Bombay on 27-1-1947, to examine whether the Indian Iron and Steel Industry should continue to receive tariff protection which it has been receiving since 1925, when the existing duties lapse on 31-3-1947; ~~the Government, by the Tariff Board~~ Mr. C.C. Desai, Member-Secretary of the Board, presided.

General Position.— Dr. Nazir Ahmed, a member of the Board, describing the present position of the Indian steel and iron industry, said that iron and steel constituted the frame work on which the whole of the industrial structure of a country must be built. It was estimated that India would need over 2 million tons of steel during the current year, as against the country's estimated production of 1 million ton. The peak demand of India in the next 5 years had been estimated at 3 million tons per annum. India's main need, therefore, is an abundant supply of iron and steel, and any measures which may be devised should not be such as to impede the flow of this material into the country. It was extremely doubtful if large exportable surpluses would be available from foreign countries to meet the deficit between India's production and her requirements.

Steel Industry presses for Protection.— Sir Ardeshir Dalal, representing the Tata Iron and Steel Company, Ltd., said that ~~the~~ protection should not be taken away for several reasons. They had no idea of the international competition which the country might have to face in the future. By removal of protection, Government would be losing a source of revenue. Further if the import duty on steel was taken away, Government would be losing a valuable bargaining ~~power~~ ^{power} ~~factor~~ ^{counter} in trade negotiations with foreign countries. The industry was not interested in protection from any financial point of view, but the new National Government should not take away the protection accorded by the old Government.

Sir Padamji Ginwala, on behalf of the Indian Iron and Steel Company Ltd., Calcutta, and the Steel Corporation of Bengal, said that continuance of the protection was necessary if the industry had to be expanded in the future. A new economic unit required investment of about Rs. 250 million and no new steel enterprise would be started unless assured of adequate protection.

After full consideration of the views advanced, the Board will report to the Government of India in due course.

(The Times of India, 28-1-1947).

Textile Industry.

Continuance of Protection for Cotton Textile Industry: Tariff Board Enquiry.

The conference convened by the Tariff Board to look into the question of continuance of protection to the Cotton Textiles Manufacturing industry was held at Bombay on 21 and 22-1-1947, Mr. C.C. Desai, Member-Secretary of the Board, presiding. The conference was attended, among others, by the Textile Commissioner, Government of India, the Textile Commissioners of Bombay and Madras provinces and representatives of the cotton textile interests (Sir Homi Mody of the Bombay Millowners' Association), textile merchants (Mr. G.G. Morarji), textile labour (Mr. Somnath P. Dave, of the Ahmedabad Textile Labour Association) and the consumers (Mr. Hossain Imam).

General position.- Mr. Desai, in his preliminary address, described the present condition in the textile industry and pointed out that at present there was very little import of cloth and yarn and that the overall world shortage of cloth was likely to prevent imports of substantial quantities of cloth and yarn into this country from abroad. The opponents of protection can therefore maintain that more favourable circumstances for removal of protection cannot be envisaged. The burden of proof for establishing the case for protection therefore lay with the textile industry.

Millowners' Plan for Continuance of Protection.- Sir Homi Mody, on behalf of the Bombay Mill-owners' Association, said that this was not the time when a tariff inquiry into the industry should have been undertaken. War conditions were still continuing and controls were in operation. He pointed out that the import duty was quite inoperative as no imports were coming. Advocating maintenance of the 'status quo' and the continuation of the existing scales of duties for the textile industry, he said that the circumstances prevailing in this country were different from those in other countries. Working hours had been reduced from 54 to 48 hours in the week; labour legislation was in the offing which might cast upon the industry an oppressive burden; the attitude of labour was that of non-co-operation; and there were no prospects of a speedy relief as far as new machinery was concerned. In the circumstances, if the existing import duties were removed and an era of competition introduced the competitive capacity of the textile industry might be crippled.

Textile Merchants for discontinuance of Protection.- Mr. Morarjee, representing the merchants, said that the guiding principle should be the requirements of the country and not the interests of millowners. If removal of duties held out prospects of more imports, protection should be done away with.

Duties to be kept in abeyance: Labour View.- Mr. Somnath P. Dave, appearing for the Textile Labour Association, Ahmedabad, said that the textile industry had outlived the stage of protection. The time had come when it should seek self-protection. It should enlist the support of the masses and not of the state. The millowners had made huge profits during the war and built up reserves. But the dearness allowance paid to workers was not in proportion to the rise in the cost of living. He suggested that duties should be kept in ~~abeyance~~ abeyance so long as abnormal circumstances continued.

Consumers for abolition.- Mr. Hossain Imam, representing the interests of consumers, said that at present no case could be made out for continuing protection. For two or three years there was no danger of the country being flooded with imports. Secondly, present Japan was different from pre-war Japan; its industry could not be subsidised under allied control and so the possibility of its coming into the competitive ~~field~~ field was completely ruled out. Thirdly, the interests of consumers demanded that protective duties should be abolished. The Indian industry should start with a clean slate and if it needed protection later on it could represent its case to the Government.

Concluding the conference, Mr. Desai, the president, said that after full consideration of the various views advanced, a report will be submitted in due course to the Government of India.

(The Bombay Chronicle, 23 and 24-1-1947).

AGRICULTURE.Fixing "Fair Prices" for Agricultural Produce:
Decisions of Agricultural Prices Conference,
New Delhi, 17 and 18-1-1947.

A conference of Provincial Ministers and representatives of the Indian States and representatives of the Government of India was held at New Delhi on 17 and 18-1-1947, under the chairmanship of Dr. Rajendra Prasad, Member for Agriculture, to consider the recommendations of the Krishnamachari Committee on Agricultural Prices. (These recommendations, as reported in the press, were referred to at pages 36-39 of the our report for July 1946).

Dr. Rajendra Prasad's Address.- Addressing the conference, Dr. Prasad emphasised that the success of the 'grow more food campaign' depended largely on the assurance to the cultivator of a fair price for his produce. The problem, however, was complicated by the fact that the prices of food grains enter into the cost of living of the consumer, and these, together, with the prices of raw materials, determine to some extent the prices of industrial goods. The Krishnamachari Committee had suggested that the financial resources necessary for the functioning of the proposed machinery to control prices should be contributed by the participating Governments, Central, provincial and State, in such proportions as might be agreed upon. The administrative machinery should operate on business lines. If any losses were sustained during the first five years, they should be shared by the participating Governments in an agreed proportion; and any profit that might be allocated to the reserve fund. The committee had also suggested that until the necessary machinery was set up the system of work developed by the Central, provincial and State Governments through their food departments during war time should be continued, with such modifications as may be necessary in the light of the principles of policy recommended. In the Food Departments and the Commodity Prices Board the machinery for fixing and enforcing prices on an ad hoc basis was already in existence, but during the transition period the problem would be largely ~~xxx~~ one of fighting famine and scarcity and prices were likely to remain at a high level. Concluding, Dr. Prasad said that the present conference was intended to be mainly exploratory and did not involve any commitments on either side and invited a free exchange of views on the broad general issues raised by the Krishnamachari Committee.

The decisions of the Conference are summarised below:-

Fixing of Maximum and Minimum Prices.- There was general agreement at the conference that steps should be taken to fix a fair price and that a suitable agency should be established for determining and enforcing the same. This would be a necessary complement to the grow-more-food campaign. Arrangements ~~xxxx~~ should be made for this purpose to collect the necessary data relating to cost of production. The prices fixed would be different for different regions depending upon normal price differentials. There would be for each area and commodity selected a maximum price and a minimum price to be fixed each year, though where monopoly procurement is in operation a single purchase price might be fixed. In addition, there should be a rock-bottom limit below which the minimum price should not be permitted to drop.

All-India Agricultural Prices Council: Commodity Corporation.- The conference in general agreed that there should be an All-India Agricultural Prices Council on which the Centre, the Provinces and the States should be represented for co-ordinating the agricultural price policy. It was also suggested that regional bodies might be established by the Provinces and States where deemed necessary. ~~There~~ There should be a semi-judicial body

(like the tariff board, but a standing body) ~~for~~ for recommending the prices to be fixed and a commodity corporation for holding reserve stocks and making the minimum and maximum prices effective by necessary market operations. As the setting up of the Council would take time, the Provinces and States should continue their existing arrangements in the interval. It was generally agreed that the control of imports and exports was fundamental to the proposals and it was suggested that the responsibility for imports and exports should be entrusted to the Council.

It is understood that after the full report of the Krishnamachari Committee ~~was~~ available another conference would be called for further consideration of the subject of agricultural prices.

(The Times of India, 18-1-1947;
The Hindu, dated 20-1-1947).

Punjab's New Irrigation Works: 600,000 Acres
brought under irrigation by Thal Project.

Punjab's first major post-war irrigation scheme which will provide for the resettlement of large numbers of demobilised soldiers and produce food or equivalent ~~crops~~ crops of the order of three-quarters of a million tons was completed early in January 1947 when the Thal Project was opened.

The Project.- The Thal Project which will provide irrigation in the initial stage for approximately 600,000 acres of land in Mianwali and Shahpur districts is estimated to cost 65 million rupees. The gross area included in the project when completed will be over two million. The Thal Project itself is part of a bigger scheme—the Glancy Barrage.

(The Hindu, dated 11-1-1947).

Regulation of Agricultural Rents: Ordinance issued
by Government of Burma.

According to a press note issued by the Government of Burma, a special Ordinance has been promulgated by the Government to "regulate the rent to be paid by tenants to landlords in respect of lands cultivated with paddy". The note explains that there had been disagreement between tenants and landlords in several districts. In a number of cases tenants had declined to pay rent, ~~and~~ the Ordinance ~~was~~ promulgated as the result of numerous complaints from both tenants and landlords received by the Government.

Approximately one-third of the paddy lands in Burma is owned by the Indian landlords, mainly South Indian Chettiers (money-lending class).

(The Statesman, 20-1-1947).

Agriculturists' Debt Relief in Madras: Rs. 96 Million debt scaled down to Rs. 46.5 Million.

Agriculturists' Relief Acts were passed by most of the Indian provinces in the period immediately preceding the war to accord a measure of relief to agriculturist debtors who were ~~hard~~hit by phenomenal falls in commodity prices. An idea of the extent of relief thus afforded can be had from the statistics relating to the working of the Agriculturists' Relief Act in Madras province during (a) the quarter ending 30-6-1946 and (b) for the period 22-3-1938 (the Madras Act came into force on 22-3-1938) to 30-9-1946. During the eight years that the Act has been in force in Madras, applications in connection with debts amounting to Rs. 96.9 million came up before the courts, and the amount was scaled down by about half to Rs. 46.5 million.

The detailed figures taken from a Press Note issued by the Development Department, Madras, are given below:

The number of cases under the Agriculturists' Relief Act disposed of by civil courts in the Province of Madras for the quarter ending 30-9-1946 was 507. For the period between 22-3-1938 and 30-9-1946 (covering 103 months) the number of cases disposed of was 206,177.

The amount involved in applications disposed of under the Act for the same quarter was Rs. 386,059. The amount involved in such applications for the period between 22-3-1938 and 30-9-1946 stood at Rs. 96,944,527. The amount scaled down by the courts on applications of indebted agriculturists was Rs. 199,602. For the period between 22-3-1938 and 30-9-1946 the amount scaled down stood at Rs. 46,505,538.

The amount of reduction by scaling down of debts was Rs. 186,457 for the quarter, and Rs. 50,442,189 for the period 22-3-1938 and to 30-9-1946.

These figures do not include the number of cases voluntarily settled by parties without recourse to courts.

(The Hindu, 6-1-1947).

Agricultural Development Plans of Baroda and Kotah States.

Taking part in the general drive for increasing agricultural production, several Indian States are planning to increase agricultural production. The Baroda Government, for instance, intend experimenting on the system of co-operative farming in five of their villages. The scheme is to be introduced throughout the State if it proves to be a success.

The Kotah State has evolved a scheme to increase within 10 years' the State's production of maize and potatoes by 20 per cent and of gram, paddy and wheat by five, ten and fifteen per cent respectively. The development programme of the State includes the construction of six large-scale irrigation schemes estimated to cost Rs. 150 million. The State has also planned to improve village roads and villages are to be provided with loans at three per cent for the purpose of sinking wells.

(The Hindustan Times, 9-1-1947).

Abolition of Zamindari System: U.P. Committee's
Questionnaire.

Reference was made at page 46 of our report for October 1946, to the appointment of a Committee to implement the resolution for the abolition of the Zamindari system passed by the United Provinces Legislative Assembly.

The U.P. Zamindari Abolition Committee, it is understood, has issued a questionnaire inviting suggestions and opinions on the proposed measure. The questionnaire is divided into three parts dealing with the future of intermediaries, the methods of payment of compensation and miscellaneous subjects.

Future of Intermediaries.- Regarding intermediaries, information is sought on the points whether all ~~the~~ of them should be removed and which of their various rights (rights relating to lands and trees, forests, groves, tanks, wells and water channels, etc.,) should be acquired.

Compensation.- With regard to compensation, the Committee seeks opinion on the point as to what should be the principle for determining the amount of compensation to be paid to those intermediaries whose rights are to be acquired. The Committee also ~~asks~~ asks whether all intermediaries ~~should~~ should be paid at a flat rate, and if graded rates are to be adopted, what should be ~~the~~ grades in which they should be classified. Suggestions are also invited on the manner in which lands belonging to trusts and charitable bequests should be ~~be~~ dealt with and what difference, if any, should be made between those ^{who} acquired zamindari rights for valuable consideration and those who obtained it by inheritance or otherwise.

Subsidiary Industries.- Regarding subsidiary industries, the Committee invites suggestion as to the methods by which the existing small subsidiary industries allied or supplemental to agriculture should be encouraged with the following ends in view: (1) to enable the producer to get a better return for his produce, (2) to relieve pressure on land by absorbing the surplus population engaged at present in agricultural production, and (3) to absorb landless labour and to give employment to the cultivator during seasons when he cannot make full use of his time on his farm and thus ~~to~~ enable him to supplement his income and raise his standard of living. What special provisions should be made in respect of model undertakings, industrial concerns and agricultural farms, if any, organized by zamindars or big tenants. Other questions invite suggestions regarding the desirability of (1) devising a fluctuating system of rent and revenue assessment so as to permit adaptation to major changes in the prices of agricultural produce, and (2) fixing floor rates and ceiling rates for agricultural produce.

(The Hindustan Times, 9-1-1947).

NAVIGATION.

Seamen's Post-war Credits to be repaid:
Government of India's Decision.

During the recent war, Indian seamen were granted, from time to time, increases in their wages ruling on 31-8-1939. The last increase granted to them with effect from 1-1-1944, was in the shape of war risk money and was generally equal to 200 per cent of their pre-war wages. One half of this increase was made payable in cash along with wages and the other half was being held back for payment on the termination of hostilities or on the death of the seaman concerned, if earlier.

A press note issued by the Government of India states that the Government has now decided that the entire amounts of post-war credits earned by seamen upto date should be repaid to them and that further deductions from wages on this account should be discontinued forthwith.

(The Hindustan Times, 15-1-1947).

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PROFESSIONAL WORKERS, SALARIED EMPLOYEES AND PUBLIC SERVANTS.

Higher Rates of Pay for Non-Gazetted Officers in Madras
from 1-1-1947: Salaries Sub-Committee's Recommendations
approved by Government.

Reference was made at page 41 of the report of this Office for August 1946, to the appointment of a Committee of the Madras Cabinet to consider the revision of salaries of non-gazetted Government ~~and~~ employees of Madras province. The Committee, in its report submitted in January 1947, recommended increases in the basic pay and annual incremental scales. Other important recommendations of the Committee are: continuation for the present of the dearness and cost of living allowance at existing rates; house rent allowance for employees in Madras City and in municipal towns with a population of 50,000 and above, so long as the present period of high rent lasts; temporary increases in small pensions; absorption in permanent service of such percentage of non-gazetted employees as might be required for ~~normal~~ normal work in certain types of non-regular establishments.

For purposes of comparison the old and new revised scales of salaries in the Madras Secretariat are given below:

(a) Superintendents: Old Scale.- Rs. 175-25/2-200-30/2-260-40/2-300-50/2-350.

New Scale.- Rs. 200-20-400.

(b) Upper Division Clerks.- Rs. 60-10/2-120-15/2-150; New Scale Rs. 90-15-125-10-175.

(c) Lower Division Clerks: Old Scale.- Rs. 40-3/2-55-5/2-70; New Scale Rs. 51-3-75-2/2-100.

Revised scales of pay have also been suggested on the same lines for municipal and local board services.

The Madras Government has accepted the recommendation of the Committee and has decided to introduce the revised scales with effect from 1-1-1947. For gazetted services the existing scale of pay will continue.

Explaining the basis of the revised scales of pay, a Government Press Note says: The scales of salary now in force for the non-gazetted services of the Madras Government are those which were fixed in 1933, on the recommendations of the Retrenchment Committee appointed by the Government in 1931-32. In 1938, the Congress Ministry ordered a further reduction in salary-scales above Rs. 100 in furtherance of a policy then pursued. This reduction, as far as the non-gazetted services were concerned, amounted to 5 per cent in the case of salaries between Rs. 100 and Rs. 200 and 7½ per cent in the case of salaries above Rs. 200. In 1945, the Section 93 Government took into consideration the increase in the cost of living caused by war conditions and restored the 1933 scales of salary to all Government servants. In 1944, a Committee was appointed to consider the question of the adequacy of otherwise of the basic scales of salary then in force. This Committee made certain recommendations for enhancing salary-scales on the basis of graded percentage rates. The Government as it was then constituted, felt that it was inopportune to consider the recommendations made by the Committee and decided to shelve the question. In August 1946, a Cabinet Salaries Sub-Committee was appointed to fix revised salaries for non-gazetted Government employees and local Boards and Municipal employees, and

it is on the recommendations of this Committee that the present revised scales are sanctioned.

In arriving at the present revised scales, care has been taken to fix the basic salary at a level below which the cost of living ~~would~~ ^{is not likely} fall for some considerable time ~~thus~~ ^{has} obviate the need for a scaling down of salaries in the near future. The Committee has acted on the assumption that prices would not fall below 50 to 80 per cent above the pre-war levels and it has accordingly proposed revised salaries to suit this level, observing at the same time, that the gap between this and the existing level should be bridged by the payment of temporary allowances to be adjusted to suit the price-levels prevailing at any particular time.

The existing salary bill of the Province is about Rs. 57.3 million per year on non-gazetted establishments, about Rs. 18.0 million per year on gazetted establishments and about Rs. 13.5 million per year on village establishments ~~and~~ making a total of Rs. 89.7 million per year. Under the Committee's recommendations, these figures will have to be increased by about Rs. 17.5 million per annum under the non-gazetted services (salaries and house-rent allowances) and by about Rs. 3.8 million per annum under the village establishment. The total salary bill will thus be about Rs. 111 million per year under all establishments against a normal total income of about Rs. 510 million per year. In addition to this the Provincial revenues will have to bear an expenditure of about Rs. 44.5 million per year on the dearness and cost of living allowance scheme for Government servants and about Rs. 1.6 million per year as subsidies to local bodies for the grant of similar allowances to their employees (other than teachers).

(The Hindu, dated 18-1-1947;
The Times of India, 20-1-1947).

Additional Interim Relief to Low-Paid Bombay
Government Employees: Non-Recurring Bonus
sanctioned.

Reference was made at page 44 of our report for September, 1946, to the grant of interim allowances to low-paid employees of the Government of Bombay, Under this arrangement, Government servants drawing a salary of less than Rs. 40 per month have been receiving five rupees and those getting between Rs. 40 and Rs. 250 have been given ten rupees per month as interim relief. The Government has now sanctioned further relief to this class of employees in the form of non-recurring interim bonus equal to 12 times the amount of interim relief as it stood on 1-1-1947. Thus Government servants in receipt of five rupees as interim relief on that date get a bonus of Rs. 60 and those in receipt of Rs. 10 are entitled to a bonus of Rs. 120. Persons whose continuous service commences on or after 1-8-1946, are not eligible for the bonus.

(The Times of India, 6 and 16-1-1947).

Central Pay Commission completes General Survey:
Final Report to be submitted in March, 1947.

The Central Pay Commission (vide pages 29-30 of the report of this office for May 1946) has completed its general survey, and will now give attention to the remaining terms of reference—leave rules, service conditions, conciliation machinery, etc. The Commission will submit its proposals, as they become ready, on each of these subjects, and the last part of its report is expected to be in the hands of the Government of India by the end of March 1947.

According to press reports, the Commission proposes to divide the Government of India Secretariat service into four broad categories: Class I Officers, Class II Officers, Ministerial Staff; and Peons, etc. Class I Officers will begin on Rs. 350 and ordinarily rise up to Rs. 1,150. There will, however, be two selection grades, namely from Rs. 1,300 to Rs. 1,600 and from Rs. 1,800 to Rs. 2,000. In exceptional cases appointments will be made carrying salaries up to Rs. 3,000. Class II officers will begin on Rs. 300 and rise up to Rs. 800. The salaries of ministerial establishments will range between Rs. 55 and Rs. 550 divided into several categories and grades. Peons and other employees will begin on Rs. 30 and go up to Rs. 60. The suggested salaries and grades are for permanent incumbents. Dearness allowance will be paid to employees drawing up to Rs. 1,000. Minimum dearness allowance will be Rs. 25. The total cost of the proposals has not been calculated but it may reach Rs. 200 millions.

(The Hindustan Times, 28-1-1947).

Delhi School Teachers' Strike: Minimum Pay of
Rs. 75 per month Demanded.

About 5,000 school teachers of Delhi Province struck work from 13-1-1947 as no satisfactory reply to their demand for higher rates of pay was received from the authorities.

The present rates of teachers' salaries and what they ~~now~~ now demand are as follows:-

Delhi Province	Present Pay			Pay Demanded		
	Rs.	As.	Ps.	Rs.	As.	Ps.
Primary School Teachers (Non-Matrics).	40	2	80	75	5	150
Primary School Teachers (Matic)	50	2	70-3-100	90	6	180
Intermediate Trained.	70	3	100-4-140	120	8	240
B.A. Trained.	80	4	160	160	10	310
M.A. Trained.	120	8	200	200	12	380
Principal of Higher Secondary School.	200	10	400	350	15	500

The strike involves over 350 primary, middle, and higher secondary schools of Delhi Province and over a 100,000 students are affected. ~~It is~~

If the salary demands of the teachers are conceded, expenditure will be double of what it is at present. A moderately good Higher Secondary School is spending now approximately Rs. 15,000 per year on teachers' salaries.

(The Hindustan Times, 9-1-1947;
The Statesman, dated 14-1-1947).

U.P. Pay Commission's Recommendations: Minimum Pay Rs. 50 and Maximum Pay Rs. 1200: Compulsory Insurance for Low-paid Employees.

The United Province's Pay Committee (vide pages 42-43 of this Office report for August, 1946) completed its work in January 1947, and has submitted its report to ~~the~~ the U.P. Government.

Pay-Minimum raised to Rs. 50: Maximum reduced to Rs. 1200.- As regards pay, the Committee has made its recommendations on the principle of levelling up low salaries and levelling down high salaries. It has reduced the maximum limit of salary drawn by any public servant to Rs. 1,200 per month and raised the minimum limit to Rs. 50. It has proposed restoration of pre-1931 scales of salaries in the case of provincial services. All provincial services in the province will have the same scale of pay; it will begin at Rs. 300 and end at a maximum of Rs. 850. The increase in salaries is more marked in the case of lower-paid employees whose scales of pay in certain cases have been doubled.

Dearness Allowance.- Lower rates of dearness allowances have been recommended for Government servants than the existing rates. Those getting up to Rs. 100 per month will get dearness allowance up to 20 per cent of their salaries; those getting from Rs. 100 to Rs. 200 p.m. will get 12 per cent of their salaries as dearness allowance; and those getting Rs. 200 to Rs. 300 p.m. will get 8 per cent of their salaries as dearness allowance.

Insurance, Pension and Provident Fund.- One of the important recommendations of the Committee outlines a combined scheme for compulsory insurance of Government servants with low incomes, pension and provident fund for employees. The basic idea of the scheme is to provide for families of employees who die before retirement, without earning a pension. Under the existing rules the Government is under no obligation to make any payment to a family of a former employee, which inevitably leads to much hardship. Similarly, unless a Government servant on retirement is permitted to commute part of his pension, his family suffers in the event of his early death. Under the proposed scheme, insurance is made compulsory for employees drawing up to Rs. 100 per mensem. It is further recommended that the Government should start its own insurance department on a commercial basis in preference to utilizing an approved company or companies.

As regards provident fund, Government servants will be asked to pay a maximum of 2 1/2 annas for each rupee of their salary to which the State will add another anna to form a provident fund. Insurance premia will be paid out of this fund. In the event of death, the total sum for which a policy has been taken will be paid to the survivors together with a remnant of the provident fund, if any.

On the pension side a reduction will be made in the pension itself and its commutable part on the ground of facilities offered for provident fund and insurance. For example, a man drawing Rs. 800 on retirement is now

normally entitled to a monthly pension of Rs. 400, of which Rs. 200 would be commutable provided the retiring officer was expected to live for a specific number of years. Under the new Government scheme, his pension would be reduced to Rs. 311 and its commutable value would be similarly lowered. His family ~~would~~, however, ~~will~~ have the advantage of his life insurance, or provident fund, or both.

Conciliation Machinery.- The Committee suggests that the Government should set up necessary conciliation machinery for settling disputes between bona fide service associations and the Administration. As a model the ~~USA~~ Committee mentions the Whitley Council system followed in the United Kingdom. Under this system there is a national joint council of 54 members on which the official side is appointed by the Government and the other half, represented by the staff, is filled by nominees of employees, groups of staff associations.

Retrenchment.- The Committee has also prepared a list of officers recommended for retrenchment as it feels that there is a great deal of duplication of work in the various departments and that retrenchment is possible.

(The Hindustan Times, 2-1-1947;
The Statesman, 29 and 31-1-1947).

Pay Commission for Burma: Terms of Reference.

The Government of Burma has decided to constitute a Pay Commission to examine the pay levels of all services and departments and to advise Government on the appropriate basic pay for the several services and departments under Government. The Commission consists of six members, with Mr. Justice Kyaw Myint as chairman. The Commission has also been asked to complete work within two months from the date of its first sitting.

Terms of Reference.- The terms of reference of the Commission are:
(1) To examine the existing basic scales of pay for all grades of Government servants in Burma and to make recommendations for the institution of new scales designed to form a co-ordinated system taking into account (a) the desirability of living wage for all ~~xxx~~ classes of Government servants, (b) the need for securing all possible economy to the revenues of Burma, and (c) the principle that pay scales in all services and departments should be ~~xx~~ graded according to the amount of work and the degree of responsibility;
(2) To recommendations on the assumption that recruits to all permanent ~~x~~ services and posts under the Government of Burma will be persons of Burmese domicile and that their pay should accordingly bear reference to a Burmese standard of living; and (3) To consider to what extent the present system of time-scales should be substituted by grades in order to prevent inefficient officers reaching high pay merely on account of length of service.

(Supplement to the Burma Gazette, dated 21-12-1946, page 544).

Cost of Living Allowance of Government
Employees in Burma.

The Government of Burma has decided to constitute a Joint Board to review the existing scale of Cost of Living Allowance and to make recommendations to Government. The Hon'ble Mr. Justice E. Maung, K.S.M., L.L.B., has been appointed the chairman of the Board, which consists of 10 other members, including representatives of various unions of employees in Government offices, and the postal and railway services.

(Supplement to the Burma Gazette, dated
21-12-1946, page 543).

NATIVE AND COLONIAL LABOUR.

Welfare of Backward Classes in Bihar: Special Welfare Department created.

The Government of Bihar has recently set up a special Welfare Department to deal with the special problems of uplift of Adibasis (aboriginals) and other backward communities. Apart from long-range ameliorative measures, the immediate objective of the Government is to provide one tank in every predominantly aboriginal village, one grain gola in every thana with a predominantly Adibasi population and a hostel for Adibasi students at important centres. A sum of Rs. 500,000 has been provided for aboriginal uplift work. This will also be utilised for grants of additional scholarships to Adibasi boys and girls.

It is understood that it is further proposed to create a Cultural Board for every important aboriginal tribe, particularly for the Santhals, Paharias, Uraons, Mundas, Hos and Kharians. After some progress is made, the Government contemplates calling a conference of persons interested in the welfare of the Adibasis to chalk out long-range plans for welfare work.

(Amrita Bazar Patrika, 10-1-1947).

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LIVING CONDITIONS.Nutrition.Government Reconstituted Milk Factory opened
in Madras.

The Government of Madras has opened in January 1947 a Reconstituted Milk Factory in Madras City at a cost of Rs. 2.8 million. The factory is producing 1,000 gallons of milk per day, but with the proposed installation of additional machinery in April, 1947, its production capacity will be raised to about 3,000 gallons per day. The ~~xxxx~~ milk is being sold at 12 annas per Madras measure.

(The Eastern Economist, 24-1-1947).

Housing.

Increased cost delays Industrial Housing:
Government of India's Directive to Provincial
Governments.

Reference was made at page 48 of the report of this Office for April, 1946, to the Government of India's scheme for subsidising industrial housing plans of the Provinces. Inflation and resultant substantial increase in the cost of building materials—bricks, cement, timber, etc., and increased labour charges are likely to delay, to some extent, these provincial schemes. In a communication recently addressed by the Government of India to provincial Governments, directions are given about the housing policy to be adopted during the period of continuance of the present high prices.

The letter points out that it will be impossible, for some time to come, "to construct houses for industrial workers at the original estimated figure of Rs. 1,300 per house, exclusive of land, and that the cost of a house with accommodation on the scale contemplated, but exclusive of water supply, sanitary fittings ^{and} the cost of land, would be about Rs. 2,250". It is further pointed out that the building of houses at the present high cost will prove highly inflationary and that under the present inflationary conditions any ~~attempt~~ attempt to take to large scale construction would force prices still higher and militate against the economy of the country as a whole. While admitting that the housing situation in some provincial cities is so ~~acute~~ acute that there can be no question of postponing all construction pending a substantial fall in prices, the Government of India has suggested to provincial governments that for the present they should consider only such housing schemes as are extremely urgent and to prepare separate schemes to suit the circumstances of particular localities and not to attempt at this stage to introduce a unified scheme for the whole Province. The Government of India also stresses the point that in the matter of housing it will not be possible to justify discrimination in favour of industrial workers alone, but that the problem should be treated as inter-connected with town planning clearance of slums, public health, etc., which would necessarily impose varying degrees of responsibilities on employees, Governments, Municipal Bodies, etc.

Finally, the letter states that when schemes have been prepared by the Provincial Governments, the Central Government would be in a position to indicate the share of cost that may be borne respectively by industrialists, municipal authorities, and the Provincial Governments. The Central Government would be prepared to co-ordinate and co-operate in any of such measures by rendering reasonable financial assistance the extent of which will be decided on the merits of each case. The Central Government will also render such technical advice as is possible in regard to various designs of houses drawn up with a view to maximum economy.

Workers' Organisations.

Progress of Trade Unions in Sind during 1944-45.

Number of Unions.- During the year under review the names of five trade unions were removed from the Register while six new unions were registered under the Act; the total number of registered unions on 31-3-1945 was 40. Of the 40 unions, only 28 submitted returns by the prescribed date. The objects of one of the unions, the N.W. Railway Employees Union, extended beyond the Province.

Membership.- The total membership of the 39 unions whose objects are confined to the Province increased from 11,500 to 12,431 or by 8.09 per cent. As compared to the beginning of the year there was a substantial increase in membership in the case of unions of dock and port trust and engineering workers, the highest percentage increase being in the case of engineering workers. In the case of the N.W. Railway Employees Union the membership rose from 1020 to 1468 or by 45.92 per cent.

Assets.- 17 Unions spent more than their income during the year. Five unions had debit balances at the close of the year, 14 had a closing balance higher than what they started with, while in the case of 15 unions the closing balances were smaller than their opening balances. The total assets of all the unions amounted to Rs. 38,216, including the sum of Rs. 2,198 on account of unpaid subscriptions. No union maintained a Political Fund under Section 16 of the Act.

(Indian Labour Gazette, December, 1946).

Progress of Trade Unionism in Madras Province during 1945-46.

The report on the Working of the Trade Unions Act, 1926, in the Province of Madras during the year 1945-46, shows that the trade union movement is steadily gaining ground, states a Press Note issued by the Government of Madras.

At the beginning of the year there were 161 trade unions on the register. During the year 92 unions were registered and the registration of 11 unions was cancelled. The total number of trade unions registered since the commencement of the Trade Unions Act up to 31-3-1946 was 389, of which 242 were actually on the register at the end of the year. The membership of registered trade unions at the end of the year numbered 171,083 as against 148,144 at the beginning of the year, and showed an increase of over 15 per cent.

The balance in the general fund account of the unions at the end of the year was Rs. 246,458 as against Rs. 203,194 for the previous year.

(Madras Government Press Note No. 18 dated 27-12-1946).

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Delhi Provincial Trade Union Congress:
Inaugurated on 20-1-1947.

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The Delhi Provincial Trade Union Congress was formed at a conference of about 100 delegates, representing 18 unions with a strength of 16,000 members, held at Delhi on 20-1-1947. The Provincial Trade Union Congress is affiliated to the All-India Trade Union Congress; Mr. S.A. Dange, M.L.A., (Bombay), inaugurated the conference.

Mrs. Chandu Bibi is president of the Delhi Provincial Trade Union Congress, and Mr. M. Yamin, General Secretary.

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(The Hindustan Times, 21-1-1947).

Miscellaneous.

19th Session of All-India Women's Conference,
Akola (Berar), 28 to 31-12-1946: Women's
Charter of Rights adopted.

The 19th session of the All-India Women's Conference was held at Akola (Berar) from 28-12-1946 to 31-12-1946, under the presidentship of Lady Rama Rau. A notable step taken by the Conference was the adoption of a Women's Charter of Rights and a Memorandum on Planning of National Welfare drafted by its Standing Committee. The Conference requested the Indian Constituent Assembly, now in session, to incorporate the fundamental points in the Women's Charter in the new Indian Constitution. The main features of the Memorandum are noticed below. (For information about the Charter see pages 59-60 of the report of this Office for July, 1946).

Memorandum on Social Welfare: Fundamental Rights.- Touching the fundamental rights of women, the memorandum urges that in the new Constitution franchise shall be on the basis of universal adult suffrage; that no disability shall attach to women in regard to public employment, office of power or honour and in the exercise of any trade or calling; that every citizen shall be entitled to economic and social security, full facilities for education, medical aid and an adequate standard of living, and that all citizens shall enjoy equal opportunities for the fullest self-expression.

Amelioration of Labour Conditions: Social Insurance.- The memorandum urges the Central and Provincial Governments to initiate, encourage and safeguard production, especially with reference to such industries as will transform and rebuild rural economy and to develop them on a co-operative basis; to adopt a policy of levelling of incomes so as to eliminate the glaring disparities which exist at present; to enunciate laws regulating hours of work, safety of working conditions in all occupations, minimum wage, minimum age and adequate and healthy housing conditions, and finally to initiate a comprehensive scheme of social insurance.

Resolutions.- The conference adopted resolutions embodying the fundamental demands set forth in the Charter of Rights and Memorandum and invited the attention of the Central, Provincial and States' Governments and the Constituent Assembly to them. In particular, the Conference demanded that Social Service Ministries should be set up at the Centre and in the provinces to initiate new services for women and children and to look after ~~for~~ social welfare generally.

As regards education, the conference urged introduction of universal free and compulsory basic education, and progressively free nursery and higher education; free adult education including vocational, technical and agricultural training for workers in factories and farms; and training schools and colleges and compulsory physical training.

(The Statesman, 29-12-1946;
The Times of India, 1-1-1947).

SOCIAL CONDITIONS.

The U.P. Removal of Social Disabilities Bill, 1947, gazetted.

The Government of the United Provinces gazetted on 7-1-1947, the United Provinces Removal of Social Disabilities Bill, 1947, providing for the removal of certain social disabilities of depressed class Hindus (scheduled castes). The bill seeks to ensure for these classes the unrestricted enjoyment of the civil liberties which are common to all other Hindus. It provides for the scheduled castes equal rights of enjoyment of public amenities, of access to public roads, places of entertainment, educational institutions, hospitals, etc., and of using public conveyances. It further prohibits compulsory labour or exaction of labour without wages or on inadequate wages from members of the scheduled castes.

(Government Gazette of the United Provinces, Extraordinary, dated 7-1-1947, pages 1-3).

The Assam Opium Prohibition Bill, 1947, gazetted.

The Government of Assam has gazetted on 25-1-1947, the Assam Opium Prohibition Bill, 1947. The Bill, prohibiting consumption (except for medical purposes) of opium, extends to the whole of the province.

The Statement of Objects and Reasons, attached to the Bill, points out that the Government of Assam had launched, at considerable sacrifice of provincial revenues, a campaign, in 1939, for total prohibition in two subdivisions and for accelerated reduction of ration in other areas. The policy pursued hitherto has resulted in restricting the use of excise opium to medicinal purposes only but, owing to the increased activities of smugglers brought about by a variety of reasons during the period of hostilities, addiction to opium obtained from illicit sources is rampant. While Government has lost revenue without achieving the goal of total prohibition, smugglers have flourished both at the expense of Government and the addicts. To cope with this unfortunate situation, stricter control over smuggling and consumption of opium is imperative with the support of non-official elements. The Bill is introduced for the purpose.

(The Assam Gazette, dated 29-1-1947, Part V, pages 21-33).

The Madras Temple Entry Authorisation Bill, 1947,
gazetted.

The Government of Madras gazetted on 28-1-1947, the Madras Temple Entry Authorisation Bill, 1947, which it proposes to introduce shortly in the Madras legislature.

The Statement of Objects and Reasons appended to the Bill points out that the Madras Temple Entry Authorization and Indemnity Act, 1939, contains a provision which enables authorities in charge of temples, with the approval of Government, to throw them open to the excluded classes of the Hindu community, whenever they are satisfied that the general Hindu public is not opposed to that step. Under this provision, a number of temples have been thrown open in recent months to the excluded classes. The existing provision is, however, inadequate, as the Government cannot take the initiative but have to wait until the authorities in charge of a temple take the first step and apply to Government for approval. Government is satisfied that the time has arrived for throwing open all Hindu temples in the Province to the excluded classes; the bill seeks to do so. The Bill accords excluded classes the right to enter any temple which is open to the Hindu public generally and offer worship therein in the same manner and to the same extent as other classes of Hindus. In particular, the excluded classes will have the same right to bathe in sacred tanks and wells ~~appurtenant~~ appurtenant to temples and the same right of passage over any sacred place as other classes of Hindus.

(The Fort St. George Gazette, Part IV-A,
dated 28-1-1947, pages 91-94).

EDUCATION.

Bihar Government's 5-Year Basic Education Plan.

A 5-year plan for establishing new basic schools and developing general education in the province has been prepared by the Bihar Congress Ministry. The programme includes several new schemes some of which have already been or are being given effect to and others are at various stages of consideration and implementation. According to the plan, there will be two training schools in each of the 16 districts of the province within the period.

Basic Training Schools.— The existing elementary training schools will continue to grow and develop into basic training schools and it is hoped that within ten years there will be nearly 60 basic training schools on an average of four per district and at least one per sub-division. The scheme contemplates the opening of at least 50 basic schools round each training school and affiliated to it for the purposes of inspection and guidance. It is also proposed that after two years the Patna Basic Training School will be converted into a Basic Training College to train teachers for the post-basic schools and instructors for the basic training schools; and a second basic training college will be started in some rural area so that the necessary number of teachers for the post-basic schools and supervisors and inspectors to fill the administrative posts may be trained. The first post-basic school for the boys, who are completing their course of eight years in December 1946, is to be started from January 1947. This school will be a multi-lateral school and will provide for five different courses fitting those who complete the courses for direct entry into the profession of (1) agriculture, (2) textiles, (3) technology (including wood and metal work and village engineering), and (4) teaching. The fifth course will be specially for women and is intended to train them in all aspects of home-craft. While this programme of expansion of basic education will be pushed on, the existing primary and middle schools as also the high schools will have art and craft work introduced in them. To this end it is proposed to introduce spinning, weaving, gardening and such other crafts as can be conveniently introduced; in the first instance, in the existing training college and other training schools, spinning, weaving and gardening may be introduced in as many high, middle and primary schools as possible. The courses of studies of the existing schools are also being revised so as to provide one integrated course from the primary to matriculation stage and to meet the requirements of national economy.

Mass Literacy Drive.— A new programme of adult education has been drawn up which will include not only the liquidation of illiteracy by opening mass literacy centres all over the province, but also the education of the people through oral lectures, visual instruction and provision of libraries. To begin with, the high schools and the middle schools in the rural areas will be organised as permanent centres of adult education. Steps have already been taken to further encourage and expand education among the Adibasis, the Harijans and the backward Muslims. It is proposed to provide schools of all categories for backward areas as early as possible to bring up education there to the level of comparatively advanced areas.

University Education and Medium of Instruction.— University education is to be reorganised. It is proposed to start teaching in Geology, Mineralogy, Forestry, Botany, Zoology, Physiology, anthropology, etc. The Patna University has decided to change the medium of instruction and examination up to the graduate classes in Arts, Science and Commerce from English to Hindustani practically with immediate effect.

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The entire system of girls' education is to be re-organized and courses and activities are to be so re-orientated as to make every girls' institution a centre of training girls for life. A committee has been appointed to draw up these revised courses and programme of activities. There will be a number of training schools for women and ultimately a Training College.

(The Amrita Bazar Patrika, 9-1-1947).

National Cultural Trust for India: Meeting of
Central Advisory Board of Education, Bombay,
9 to 11-1-1947.

The 13th meeting of the Central ~~xxx~~ Advisory Board of Education, was held at Bombay from 9 to 11-1-1947. Mr. C. Rajagopalachari, Member for Education, Government of India, presided. Prominent educationists and representatives from the provinces and States, besides Sir John Sargent, Secretary, Education Department, Government of India, and Rajkumari Amrit Kaur, attended the meeting. The agenda included the consideration of action taken so far by the Central and Provincial Governments on the Sargent Report (vide pages 40-42 of the report of this Office for November, 1946). The Board, among other decisions, accepted a proposal to establish a National Cultural Trust for India, with a substantial endowment, to stimulate and co-ordinate the cultural activities in the country.

5-Year Education Plan to cost Rs. 1250 Million.- Mr. C. Rajagopalachari, in his presidential address, pointed out that education was the basic industry of the country, for industries depend on the quality of men that man them and the quality of men depends on the education that is given to them. Thus education was really a part of the scheme of industrialisation which most enlightened people have in their minds. Referring to the Sargent Plan, he said the more difficult task of execution of the plan had commenced. It was a heavy responsibility which the Provincial authorities had accepted and he hoped they would be able to command all the facilities required for fulfilling it. The Central Government, too, had prepared concrete corollary plans to ~~xxx~~ supplement and fill up the gaps in Provincial responsibilities. He revealed that the Government of India and various provincial Governments have planned, in general terms, to spend about Rs. 1250 million on education during the next five years. He pointed out that India was in need of the right type of teachers for training colleges. It was not enough to build training colleges, real construction consists in securing the right type of the teachers' teacher. Referring to literacy, he said that it was wrong to burden a child's mind with symbols from a very tender age. It would be far better if the child's mind were allowed to develop through actual sense perception of realities for a good length of time and delay till about six, seven or even eight years of age, ~~reading and writing~~. He also pleaded for the cultivation of sociability and the technique of happiness.

Need for More Teachers.- Addressing the meeting, Sir John Sargent emphasised the importance of producing an army of efficient teachers for implementing the educational plan in India. ~~xxx~~ He said that India needed an army of two and a quarter million teachers within a period of 15 years to give the minimum education to the maximum number of boys and girls. Any educational plan for this country can succeed only when the outstanding problem of training efficient teachers is successfully tackled. He denied

that the postwar educational plan recommended by the Central Advisory Board of Education was based on Western ideas and said that though wrongly associated with his name, the plan was based on the great cultural tradition and indigenous systems evolved in India. It was a plan that provided for a system of education in line with the progressive countries of the world. The objective was to educate the people on right lines and make them physically fit, mentally intelligent and morally sound.

Board's Proposals: National Cultural Trust for India.— The Education Board accepted a proposal to establish a National Cultural Trust for India. The activities of the Trust, which will be composed of 50 trustees, are proposed to be carried on through academies, of which there will be three in the first instance, namely the Academy of Letters, the Academy of Arts (including the graphic, plastic and applied arts) and architecture and the Academy of Music, Drama and Dancing. The Trust will be substantially endowed by the Central, provincial and State Governments. The main functions of the Trust, as recommended, will be: (1) To encourage cultural education and research with particular reference to the preservation and development of traditional Indian culture in relation to such subjects as literature, architecture, sculpture, painting, music, dramatic art and dancing; (2) To acquire for the State sites, monuments, manuscripts, pictures or other objects of importance from the point of view of Indian culture; (3) To advise the government of India and the provincial Governments with regard to cultural matters; (4) To co-operate with Indian Universities in the development of activities in the purely cultural fields; (5) To co-operate with the learned societies of India in order to encourage and expand the cultural side of the work now performed by them; (6) To publish suitable popular literature on cultural matters; (7) To maintain close touch with all parts of India (including the States) by holding periodical conferences; and (8) To organise archaeological and other cultural missions to foreign countries and generally to develop and extend cultural contacts between India and other countries.

Liaison with UNESCO.— The Board decided to set up a committee to go into the question of forming a National Commission for India. The Commission will be the national co-operative body for India in relation to U.N.E.S.C.O. It was considered necessary to have as much information as possible ~~but~~ about similar bodies established abroad by other member States, before the Indian Commission is appointed.

Secondary Schools Examination Council.— The Board also adopted a proposal to establish a Secondary Schools Examination Council with a view to bringing examinations upto a common standard. The proposal is that it would be in the public interest to have one examination at the end of the school course and every effort should be made to meet the requirements of the Universities in that examination. The examination to be held at the end of the High School course should serve both the purposes, namely, for entry into the University and for employment on leaving school. The Council will not be an examining body and will, for the present, be endowed with advisory function only.

University Education Commission.— The Board also accepted a recommendation for the setting up of a Commission on the lines of the Sandler Commission to report on Indian University education and to suggest any changes and improvements that may be deemed desirable to meet the requirements of the country. The terms of reference of the Commission will be as broad as possible.

(The Bombay Chronicle, 11-1-1947;
The Hindu, dated 13-1-1947;
Amrita Bazar Patrika, 13-1-1947).

Rs. 100 Million Plan for Free Compulsory Primary Education: Educational Reorganisation in Bengal.

A Rs. 100 million scheme for introduction of compulsory free primary education all over Bengal, is understood to be under active consideration of the Bengal Government. The principle of free primary education was accepted by the Bengal Government some years back and the Bengal Primary Education Act was passed providing for levy of an education cess to meet the cost of thereof. But the working of the Primary Education Act in certain districts has shown that the facility of free primary education was very little availed of by the children of the agriculturist classes in Bengal. It is to meet this situation and to make free compulsory primary education effective ~~through~~ that the Government is launching the new scheme. Out of the cost of Rs. 100 million, the Bengal Government would be prepared to fund about Rs. 80 million and the Central Government will be approached for the balance either as a subvention or as a loan.

(The Amrita Bazar Patrika, 13-1-1947).

5-year Plan for Improved General and Technical Education. - Meanwhile, the Government of Bengal has already launched a 5-year plan for developing general and technical education. Besides improving and expanding elementary training schools, some full-fledged training schools will be established. They include general, technical, textile, medical, agricultural and vocational education schools. The primary middle and high schools will have some new subjects introduced into the curriculum. The curriculum of the existing schools will also be revised so as to provide one integrated course from the primary to the matriculation stage.

(The Hindustan Times, 18-1-1947).

10-year Adult Education Plan for Bombay City: Literacy Campaign started.

A 10-year Adult Education Plan, prepared by the Bombay City Adult Education Committee (vide pages 51-52 of the report of this office for January, 1945) to liquidate adult illiteracy in Bombay City, has been launched in January 1947. The plan is designed to make 665,000 adults literate in 10 years. When the new plan operates its full ten-year term and the Bombay Municipality's compulsory education scheme for children functions successfully, it is expected that 75 per cent of Bombay's 2 1/2 million population will be literate.

At the first stage of the plan, 900 literacy classes and another 200 post-literacy classes have been opened. The duration of each literacy class will be three months and 20 adults will be enrolled in each class which will work for an hour daily. About 2,700 such classes are proposed to be organised by the end of 1947, turning out 40,000 unlettered people into literate adults. About 13,000 new adults will be added to the literate population at the end of the first three-month session. The plan includes a scheme to start 5 handicraft training centres at an estimated cost of Rs. 500,000.

plan to cost Rs. 5 Million.- The plan is estimated to cost about Rs. 5 million~~xxxx~~ over a period of ten years. This works out to a per capita cost of a little more than Rs. 7-8. The average expenditure per annum under the plan will be Rs. 500,000. Expenditure for the first year will be nearly Rs. 300,000. In the second and third years the number of classes to be run, and the adults to be made literate, will increase by about 25 per cent with a corresponding increase in expenditure. The peak period of the plan will be reached in the sixth year and will continue till the end of the ten-year period when expenditure will double.

(The Times of India, 16-1-1947).

Sind Government to liquidate Illiteracy in
8 Years: New Taxes to meet 'Literacy'
Budget.

Explaining the Sind Government's plans for expansion of education in the province, Pir Illahi Bux, Education Minister, expressed, on 9-1-1947, at a press conference, the hope that illiteracy in Sind would be liquidated within a period of eight years. He announced that the Government would take over control of primary education from local bodies. To meet the added cost of Government's expanded educational plans, the Government would introduce fresh taxes, including a property tax and a tax on the legal and medical professions. Private employees drawing over Rs. 100 per month would be taxed at the rate of ten per cent per year.

(The Hindu, 11-1-1947).

Control Measures.

Groundnut Prices controlled in Madras.

The Government of Madras has decided to control the prices of groundnut oil and groundnut kernel (main oilseed crop of the province) throughout the Madras Province with effect from 22-1-1947. The Government has, accordingly, created a post of Deputy Commissioner of Civil Supplies to be in charge of this work. The Deputy Commissioner will arrange for the procurement of the quotas allotted for export from Madras by the Government of India.

A press note of the Government adds that the Government of India, on the recommendations of the All-India Oilseeds Conference (vide pages 28-29 of the report of this Office for September, 1946), had suggested to all Provincial and States' Governments that the prices of all important edible oilseeds and oils should be controlled in the interests of the consumer. The inter-Provincial movement of oil-seeds and oils will hereafter be regulated under movement plans formulated by the Government of India, in consultation with the surplus and the deficit provinces and the States concerned.

(Madras Information, 23-12-1946).

Textile Industry.

Measures to meet Acute Scarcity of Cloth in India:
Provincial and States' Ministers Conference, New Delhi,
10-1-1947.

Ways and means of ending the present acute scarcity of cloth in India were discussed at a conference of Provincial and States' Ministers held at New Delhi on 10-1-1947, under the chairmanship of Dr. John Matthai, Member for Industries and Supplies in the Interim Government. It was agreed that decisions regarding major questions like production, prices and distribution of cloth should be arrived at by the Central Government after consulting the various provincial and State Governments and that there should be a conference of Ministers once every quarter for such consultation. Views were expressed that the Textile Control Board should be reorganized so as to give wider representation to consumers. It was disclosed that the Central Government was considering appointing a committee to go into the question of fixing fair prices for cloth and yarn. The conference felt that any revision of ceiling and floor prices of raw cotton should be postponed till the report of the proposed committee was available. The conference was unanimous that the existing controls on textiles should continue. The per capita quotas of cloth for 1947 were discussed, and it was agreed that reductions were inevitable until production increased.

Working of Three Shifts and Increased Hours of Work suggested: Other Decisions.— The general feeling was that in order to increase production three-shift working should be adopted by mills wherever practicable. It was, however, recognized that this would be possible only in certain centres and would be confined largely to the production of yarn. It was also recognised that a fall in production of as much as 700 million yards was due to the reduction of working hours. It was agreed that the possibility of increasing hours of work as an emergency measure should be referred to the Indian Labour Conference and its Standing Labour Committee.

Proposal for a Statistical Organisation; Abolition of Quota-Holders System favoured.— The conference considered the question of improving the organization for the collection of statistics under the Industrial Statistics Act. It was decided that a scheme for setting up adequate statistical organizations should be circulated to the Provinces by the Central Government.

The system of quota holders and alternative methods of distribution were discussed. The general view of the conference favoured abolition of the system of quota holders. It is estimated that quota holders account for three per cent of the sale price of cloth and, in view of the shortage of production and excessive demand, the necessity for quota holders disappears. It is understood that representatives of the provinces and States present were unable to arrive at an agreement on the reallocation of cloth and yarn available to their respective provinces. The question has been left over for further consideration by the Central Government.

Food.

5-Year Food Plans for India: Provincial Ministers' Conferences, New Delhi.

Two conferences were held in New Delhi in January, 1947, to consider the food problem in both its short-and long-term aspects. Long-term problems of food production were discussed at a conference of the Central and Provincial Ministers for Agriculture held on 15 and 16-1-1947, with Dr. Rajendra Prasad, Member for Agriculture, in the chair; the immediate problem created by the current wheat shortage in the country and the food budget for the first quarter of 1947 were discussed at another conference of the representatives of Central and Provincial Food Departments held on 20-1-1947 under the chairmanship of Mr. Vishnu Sahay, Director-General of Food, Government of India.

Food Production Conference: Presidential Address.- Addressing the Food Production Conference, on 15-1-1947, Dr. Rajendra Prasad disclosed a five-year plan to expand and intensify agriculture in order to wipe out India's present annual deficit of a million and half tons of food grains, which is expected to increase to 7 million^{tons} by 1951 with the expected increase of population. The target of production, therefore, is an increase of eleven and a half per cent in the total production of food grains; that is to say, production of eleven and a half maunds per acre instead of the present ten maunds (one maund= 82 lbs). For this, he pointed out, India is depending on increased facilities of irrigation, better seeds, more manure and improved methods of cultivation. India, he emphasised, cannot continue to depend on imports to meet her heavy food deficit. To supplement food resources, at present large schemes for improving the milk supply and the quality of draught cattle, for developing fisheries and increasing the fish supply and ~~increasing the~~ improving poultry and fruit production and preservation are being worked out.

On the financial aspect, he said that the Government of India had decided, generally speaking, that out of every rupee that may have to be spent on the Grow-More-Food project, four annas will be contributed by it, four annas by the Provincial Government and the remaining eight annas by the person benefited by it. According to calculation made by the Department of Agriculture, the contribution that the Government of India will have to make to achieve the objective in the next five years will be between Rs. 500 and 750 million. The Provinces will have to make a like contribution and the people will have to find the rest, of which a part will necessarily be in the form of labour.

5-Year Food Plan.- The extension of private irrigation and land improvement works, construction of new wells and tanks, and the extended use of composts and artificial manures form an important part of the Government's five-year food plan, details of which, as reported in the press, are given below.

While it is recognized that the aim of increasing the productive capacity of agricultural land in the provinces by 3,000,000 tons will fall short of the country's full requirements, it is felt that it is not low in relation to the available resources during the next five years. Of the target of 3,000,000 tons, an increase of 1,000,000 tons is sought to be secured by extension of private irrigation and land improvement works, another million tons by irrigation and land improvement by provincial Governments, and the balance by better manure and fertilizers and improved seeds.

It is understood that cultivators will be assisted to construct 300,000 new wells and improve an equal number of old wells. This is expected to increase productive capacity by about 500,000 tons. The construction of about 4,000 public irrigation tube-wells and about 2,000 private wells should secure an increase of another 500,000 tons. Installation of a total of 8,000 pumping sets on both public and private account is expected to improve productive capacity by another 400,000 tons. The construction and improvement of public tanks and canals is expected to increase irrigated acreage by about 2,000,000 acres which, in terms of increased yield, will amount to about 300,000 tons. By reclamation, drainage and bunding a similar yield might be added to the national larder. The balance of 1,000,000 tons, it is felt, can be secured by increasing fertilized acreages under irrigated crops by the use of composts, oilcakes, artificial manure and improved seeds.

Decisions.- After Dr. Prasad's address, Ministers from the various provinces spoke. There was general agreement that an immediate food production drive was necessary in the ~~immediate food production~~ country and the dependence on imported foodstuff should cease as early as possible. Practically all the Provincial Ministers stressed the need for giving high priority to the food production schemes. Difficulties in regard to the supply of coal and iron, of mechanical implements like tractors and of technical personnel were pointed out. Some of the Ministers also stressed the need for adequate financial help from the Centre. In view of the urgency of this problem, the general opinion was that the funds necessary for the Grow More Food Scheme in the next five years should be given apart from the block grants to be given to the provinces ~~or~~ for their post-war development schemes. In general, the Ministers promised full co-operation of the provinces in attaining the target.

Food Officials' Conference.- The conference of Food Officials of Provinces and States, which met at New Delhi, on 20-1-1947, with Mr. Vishnu Sahay, Director-General of Food, Government of India, in the chair, discussed the food budget for the period January to March 31, 1947, prepared on the basis of existing stocks, local procurement and anticipated imports. The estimated imports of wheat and flour, for the quarter ending March, 1947, are 206,000 tons, the main supplying areas being U.S.A., Australia and Turkey.

In the course of his review of the food situation in the country during the three months, with special reference to the wheat position, Mr. Sahay stated that the wheat crisis was likely to be of short duration. It was hoped that the normal wheat requirements of deficit areas would be met by March 1947. He, therefore, appealed to the rice-consuming areas, which had received substantial quantities of wheat from Northern India in 1946, to further reduce and, if necessary, completely forgo their wheat demands.

(The Statesman, 16 and 22-1-1947;
The Hindustan Times, 21-1-1947).

Bihar's 5-Year Plan to step up Food Production.

The Government of Bihar has formulated a five-year plan to enable the province to achieve the target of producing 575,000 tons of additional food grains by 1951-52. The agricultural plan includes 50,000 wells, and hydro-electric irrigation projects, distribution of fertilizers and improved seeds, the reclamation of 100,000 acres of waste lands, intensification of agricultural education, research and demonstration, standardisation of weights and regulation of markets. The "animal" plan covers better breeding and extensive veterinary assistance. An organisation for co-operative farming is also planned. Sugarcane development and stabilisation of the sugar industry are also proposed. In connection with reclaimed lands, a proposal has been made that the minimum holding by each cultivating family should be 25 acres.

Main Projects.- The main projects envisaged in the plan are: (1) construction of 50,000 surface percolation wells, equipped with Persian wheels where necessary, irrigating 300,000 acres of wheat land with a view to produce 1,500,000 maunds; (2) completion of 8,000 minor irrigation projects to irrigate 800,000 acres of rice lands so as to produce 5,200,000 maunds; (3) sinking of 168 State-owned electrically-operated tube-wells to irrigate 508,000 acres to produce 300,000 maunds of wheat or other food grains; (4) alignment of small canals and reservoirs to irrigate 100,000 acres to produce 600,000 maunds; (5) drainage and reclamation of 100,000 acres of chauras ~~trains~~ (waterlogged areas) to produce 1,200,000 maunds; (6) reclamation of 100,000 acres of waste lands in Tribenai Baha and Kosi areas to produce 1,200,000 maunds; and (7) fertilizing 1,400,000 acres of paddy land with gypsum oil cakes and ammonium sulphate to produce 2,400,000 maunds.

(The Times of India, 11-1-1947;
The Hindustan Times, 20-1-1947).

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Demobilisation and Resettlement.

Progress of Resettlement Schemes for Demobilised Personnel
(up to 31-10-1946).

The following information on the progress of the Government of India's Resettlement schemes upto 31-10-1946, is taken from a Note published in the December 1946 issue of the Indian Labour Gazette.

Employment

Returns from Employment Exchanges.- At the beginning of October 1946 the records showed 228,076 persons as applicants for employment; during the month 9,484 were placed in employment. The total number of vacancies outstanding was 94,344, consisting of 52,605 reserved Railway vacancies, 26,732 other Government vacancies, and 15,009 non-Government vacancies.

Discharge of Civilian War-Workers.- Returns received up to 23-10-1946 showed that approximately 760,880 persons were discharged from employment in the various departments and undertakings of the Government of India between 1-9-1945 and 30-9-1946. These may be roughly classified as: (1) Administrative and supervisory personnel, 23,460; (2) Skilled and semi-skilled personnel, 167,090; (3) Unskilled personnel, 534,140; and (4) Clerical personnel, 36,190.

Discharge of Workers from Private Undertakings.- Returns were received from 204 concerns. Out of these 15 employ less than 100 persons and have not been taken into consideration. The actual discharges from the rest during the period 1-9-1945 to 30-9-1946 on the basis of returns received upto 23-10-1946 were approximately 67,200 roughly classified: Administrative and supervisory personnel, 3,780; skilled and semi-skilled personnel, 30,780; unskilled personnel 33,630 and clerical personnel 2,150.

Central Employment Exchange.- Vacancies notified to the Central Employment Exchange during the month ^{October, 1946} by Government Departments and private employers were: Central Government departments, 164; Provincial Governments, 45; Public service commissions, 8; and Private employers 156.

Women's Section.- 22 applicants were registered by the women's section and 14 vacancies were notified during the month against which particulars of ~~about~~ about 35 persons were submitted. Confirmation of offers of appointment to 7 candidates was received.

At the Discharged Government Employees Section 96 employment index cards and 8 applications for employment assistance from persons who had been discharged or were likely to be discharged from Central Government Departments were received during the month. 28 duplicate index cards of discharged Government employees were received from other Exchange areas. The total number of vacancies notified during the month was 69, against which 266 submissions were made. Confirmation of offers of appointment to 70 persons was received during the month.

Training.- In order to ensure the proper co-ordination of all training schemes of the Directorate General of Resettlement and Employment it was decided during the month to combine under a common Directorate of Training the schemes for the technical and vocational training of demobilised Services personnel, the Scheme for the Rehabilitation and Resettlement of Disabled Services Personnel and the Scheme for the Vocational Training of ex-Servicemen for purposes of direction and inspection. Steps are being taken to provide training under all these schemes, as far as possible, at common centres.

Technical and Vocational Training.- Up to 26-10-1946, 110,533 ex-Servicemen had been interviewed at demobilisation centres by Trade Testing Officers. Of that number 45,752 were recommended for technical training and 14,854 selected and posted to training centres. 3,499 ex-Servicemen were actually under training at the end of the month. Under the scheme for the Vocational Training of Demobilised Services Personnel (vide pages 68-70 of the report of this office for March 1946) it was decided during the month to make a start with 10,000 seats only and to increase the number when the demand requires it. Of this capacity, 1,500 seats will be provided in six Labour Department training centres and the remainder in Provincial/State Government and private institutions.

The Government of Bengal and Bihar have agreed to participate in the Vocational Training Scheme of the Directorate General of Resettlement and Employment. 28 proposals were received from the Regional Directors of Resettlement and Employment, Punjab and N.W.F.P., Madras, and Bombay for training of ex-Servicemen under the scheme at Provincial Government/private institutions. Sanction was accorded to the opening of two Labour Department centres, one at Delhi and the other at Coacanada (Madras Presidency), with a ~~xxxx~~ training capacity of 250 seats each.

Vocational Training of Ex-Servicewomen.- The total number of applications for training received from ex-Service women till the end of the month was 160. 75 seats were allotted and 61 women were posted for training in various subjects, such as, stenography, typewriting, labour welfare work, commercial and clerical work, cooking and confectionery, cutting and tailoring, etc., at various institutions in Bombay, Bengal and the United Provinces.

Rehabilitation and Training of Disabled Servicemen.- A training centre for 200 disabled persons was established at Bareilly and, at the end of the month, the centre was being ~~an~~ equipped. The total number of disabled ~~ex~~ Services personnel interviewed by Labour Department officers at the Services Convalescent Rehabilitation Centres was 6,904 up to the end of the month. Of these persons 2,438 were considered fit for direct employment and 3,048 recommended for admission to the special training centres for disabled persons. The rest either remained at Services Convalescent Rehabilitation Centres for further rehabilitation or were considered for discharge by the Army authorities.

Higher Technical Training Scheme.- Facilities for training in the United Kingdom were secured during the month for two candidates, bringing the total number of persons for whom facilities have been arranged so far in that country to 80. Facilities for training in the U.S.A. were secured for two candidates bringing the total number of persons for whom facilities have been obtained in that country to 28.

Resettlement Advice Service.- The weekly returns of interviews with ex-Servicemen at demobilisation Centres showed that the total number of officers and men interviewed by Resettlement Advice Officers up to the end of the month was 5,18,584, of whom 381,851 persons required employment assistance. 15,660 persons were recommended for vocational training and 45,752 for technical training.

Employment Work in Indian States.- In pursuance of the decision that the Directorate-General, Resettlement and Employment should assume responsibility for the resettlement of ex-Servicemen belonging to those Indian States which do not open their own employment exchanges, the Sub Regional Employment Exchanges at Ahmedabad, Peshawar and Landsdowne took over the employment records from the recruiting and employment offices of Rajkot, Batkhela and Tehri States respectively.

5 Sub-Committees to deal with Resettlement Schemes:
Meeting of Central Employment Advisory Committee,
New Delhi, 25-1-1947.

The first meeting of the Central Employment Advisory Committee, set up by the Government of India in November, 1946 and consisting of representatives of provincial Governments, the All-India Trade Union Congress, the Indian Federation of Labour and of various Chambers of Commerce, the at New Delhi on 25-1-1947; Nawab M.A. Gurmani, Director-General of Resettlement and Employment, presided.

To associate the Committee as fully and effectively as possible with the work of the Director-General, five sub-committees to deal with the training and employment exchanges for ex-servicemen, training and employment of women and rehabilitation and training of disabled ex-servicemen were appointed.

A Training Sub-Committee to supervise the teaching courses, with Mr. W. S. Mascarenhas, Joint Secretary in the Reconstruction Department to the Government of Bombay, as its Chairman, was also appointed. In this connection, it is learnt that arrangements to import technical training to nearly 69,000 ex-servicemen throughout the country during 1947 are being completed by the Government of India; it is expected that about 30,000 ex-servicemen will learn engineering trades and another 39,000 non-engineering trades, including training in agricultural occupations.

(The Times of India, 30-1-1947).

Schemes for Accelerated Demobilisation of Indian
Army Officers.

New and accelerated schedules have been planned for the demobilisation of Age and Service Groups 47 to 70 of the Indian Army as the result of a surplus of officers in the Service. The accelerated release programme has been introduced as a concession to officers of certain Arms of the Indian Army. It has been made possible by the acceptance of a large number of applications for deferment of release by Indian Emergency Commissioned Officers in furtherance of the policy of nationalisation (vide page 74 of the report of this office for December, 1946) and by the Indian Army short service commission scheme, which has attracted numerous applicants.

This release programme is applicable to all male officers of the Indian Army except those in the artillery, engineering, signals, education and catering services (who will follow the British service release plan) and the medical service for whom a separate programme is being prepared. Servicemen between groups 47 and 70 are affected by the accelerated schedule. Group 47 will be demobilised between February 1 and 28, 1947, groups 48 to 51 between March 1 and 31, 1947; and groups 52 to 70 between April 1, and 1947 and a date to be announced later.

(The Statesman, 13 and 14-1-1947).

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Vocational Training Scheme for Ex-Servicemen:
C.P. Government to participate.

The Central Provinces Government has decided to participate in the scheme of vocational training for demobilised services personnel undertaken by the Central Government (vide pages 70-71 of the report of this Office for October, 1946). It is expected that about 1,000 candidates will receive training in three years, and the total expenditure to be shared by the provincial Government will amount to Rs. 300,000. In accordance with the scheme, a training centre has already been started at Bilaspur.

("Dawn", dated 29-1-1947).

Madras Government's Scheme to absorb 5,000 Ex-Service Drivers: Co-operative Societies to run Motor Transport Services.

To absorb about 5,000 Ex-Service Drivers, the Government of Madras has sanctioned a scheme for the formation of 20 motor transport co-operative societies to operate in various districts of the province. The Government of India has agreed to allot surplus vehicles at concessional rates to these societies.

Each society will have a membership of about 250 ex-Service men and a registered share capital of Rs. 250,000 divided into 5,000 shares of Rs. 50 each. The wages of the men will vary with their trade. It is proposed to pay drivers Rs. 60 per month. In addition to wages, profits will be divided among the share-holders, after contributing a share to the reserve fund.

(The National Call, 24-1-1947).

Co-operative Group Employment Societies started in N.W.F. Province: Post-war Services Reconstruction Fund being utilised.

During the last war, the Government of North-West Frontier Province built up from the deferred pay, pay of service men a fund for Post-war Services' Reconstruction. This Fund is now being utilised in the province for the welfare and group employment of ex-Servicemen. It is proposed immediately to build rest-houses for ex-Servicemen at Peshawar, Kohat and Abbottabad, a hostel in Lady Reading Hospital, Peshawar, and a ward in the Jandola Hospital in South Waziristan.

Co-operative Group Employment Societies.— District Co-operative Group Employment Societies have been started in Peshawar, Kohat, Mardan, Shakkardarra Road and Abbottabad; the employment includes brick-making, soap-making, carpentry, tractor cultivation, and various cottage industries. Each district society contains 150 ex-Servicemen divided into five groups for employment. Each member subscribes Rs. 100 and the Fund provides a further Rs. 150 as capital per head. The Fund also provides managerial and supervisory staff, guarantees the capital and assists the societies generally.

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The object of the Fund is to cover losses on unprofitable societies and hand over those which are profitable to ex-Servicemen.

(The Statesman, 31-1-1947).

Hyderabad Government's Technical Training Scheme for Demobilised Personnel.

To facilitate the absorption of ex-servicemen in civil life, the Government of Hyderabad State has sanctioned a scheme for the technical training of demobilised personnel, under which it is proposed to send 500 persons to technical training centres in British India. The object of the scheme is, first, to provide an opportunity to those persons to complete their technical education who have not been able to do so on account of their entering service in the army during the war and, secondly, to impart such training as is likely to be of use to them in civil life. This arrangement is in addition to the training facilities which exist in the State itself at the Kachiguda training centre, the Osmania Technical College and other institutions.

(The Vanguard, dated 22-1-1947).

Post-War Reconstruction.

Government's Plans for National Research Laboratories:
Foundation Stone of National Physical Laboratory Laid.

Reference was made at pages 65-66 of the report of this Office for December, 1945, to the Central Glass and Ceramic Institute, the first research laboratory in the chain of five Research Laboratories planned by the Indian Council of Scientific and Industrial Research. The Council has ~~xxx~~ since decided to build seven, instead of five, such laboratories. The foundation stone of the National Physical Laboratory (the fourth of the series) was laid on 4-1-1947 (for ~~xxx~~ details of second and third laboratories, see page 53 of the report of this Office for November, 1946).

National Physical Laboratory.- The laboratory which is estimated to cost Rs. 4 million, will be concerned with basic researches on standards, applied physics and properties of materials. The maintenance and testing of fundamental and derived standards like length, mass, time, volume, temperature, density, electrical units, etc., will be one of ~~the~~ its chief functions. It will also undertake research which is expected to go a long way towards developing ~~international~~ industrial standardization in India. For this purpose it will maintain a close liaison with industry. It will assist in all possible ways and work in close collaboration with the Indian Standards Institution set up recently by the Government of India (vide page 27 of the report of this Office for September, 1946).

The Laboratory will have the following nine divisions: (1) Weights and Measures; (2) Applied Mechanics and Materials; (3) Heat and Power; (4) Optics; (5) Electricity; (6) Electronics and Sound; (7) Building and Housing Research; (8) Hydraulic Research; and (9) Analytical Chemistry. Each of these divisions will be under an Assistant Director.

(The Vanguard, dated 4-1-1947;
The Statesman, dated 5-1-1947).

Resources and Retrenchment Committee appointed
in Punjab.

The Punjab Government has appointed a Resources and Retrenchment Committee to mobilise sources of income to execute its five-year post-war development scheme.

The committee, which consists of the Financial Commissioner (Revenue) the Chief Secretary to the Punjab Government, the Secretary to the Finance Department, and Sardar Bahadur Prabh Singh Chawla, proposes to scrutinize the income and expenditure heads of the Punjab government budget so as to cut down unnecessary expenditure, recommend new heads of income and reduce borrowing to the minimum.

(The Statesman, dated 10-1-1947).

Heavy Machinery Industry for India: Report of
Industrial Plant and Machinery (Heavy) Panel
discussed.

A conference of the representatives of the various provincial Governments and Indian States was held at New Delhi on 16-1-1947 to consider the report prepared by the Industrial Plant and Machinery (Heavy) Panel set up by the Government of India (vide page 73 of the report of this Office for March, 1946). Mr. Gaganvihari L. Mehta, chairman of the panel, presided.

Considerable stress was laid at the meeting on the need for setting up a heavy machinery industry in India and for utilising the equipment, tools and technical personnel of the existing Ordnance factories for building up an adequate engineering industry. Emphasis was also laid on the need for a High Power Technical Committee to prepare a detailed plan for the development of the heavy engineering industry, and an efficient statistical organization.

(The Hindustan Times, 17-1-1947).

Post-war Reconstruction Schemes of Mysore State.

The various Policy Committees of the Mysore Economic Conference set up by the Government of Mysore had recommended a number of post-war reconstruction schemes (vide pages 75-77 of the report of this Office for February, 1946). After examining the schemes, the Co-ordination and Finance Committee has suggested an order of priority for them. The chief recommendations of the Committee in respect of the more important of these schemes are summarised below:

Five-Year Plan.— The Committee has recommended a five-year plan, to be ~~started~~ started in 1946-47, for the development of Mysore, involving the execution of 171 schemes at an expenditure of Rs. 220 million non-recurring and Rs. 67.5 million recurring; the biggest incidence of non-recurring expenditure will be in the third year.

The main object aimed at is the reorganisation and development of agriculture and allied pursuits with a view to increasing food production in the State. The urgent need to go ahead with schemes for training personnel and for accelerating the programmes of re-adjustment of training to suit post-war needs is emphasised. The desirability of the establishment of a Central Research Institute ~~at~~ at Bangalore with expert staff to cater to the needs of the several departments is suggested. The modernising of the existing statistical methods in the State under Central Control is recommended. The committee feels that a Central Information Service for the State is also necessary. Schemes for development of railways, power, mining and irrigation have been given a high priority.

In the sphere of road transport, the Committee has suggested the construction of 1,250 miles of village roads and of minor District Fund roads; the construction of 14 major and 50 minor bridges; and concreting of 300 miles of trunk roads at a cost of Rs. 18 million.

Finance.— The Committee has suggested the following ways and means for raising the necessary finance: enhancing of the rates of income tax and super-tax, power-supply to industrial concerns, ^{and} passenger and goods traffic on railways; raising of the duty on stamps and liquor and of the tax on betting and entertainment; increasing the prices of products of Government commercial concerns like silk and soap and of Government forest products like timber, sandalwood and sandalwood oil; and levy of new taxes, cesses, and duties—like sales and agricultural income taxes, education and public health cesses and death and succession duties.

(Mysore Commerce, dated 16-1-1947).

Post-War Industrialization Plans in Hyderabad State.

Hyderabad, the premier State in India, has taken long strides in the direction of industrialization. At present it produces about 150,000 tons of cement and 1,300,000 tons of coal annually. The output of textile mills is worth Rs. 55 million. The present industrial policy of the State is marked by a desire to strike a balance between big and small industries. While reasonable facilities are provided for the establishment and ordered development of large-scale industries, special care is taken to improve the condition of cottage industries. As a result of this progressive policy, a number of large and modern factories have come into existence and a still larger number of cottage industries have been saved from extinction. Among the important industries in the State are six textile mills, an iron and steel factory, a power alcohol industry, a paper mill and a ~~knitting~~ cigarette factory. Among cottage industries hand-loom weaving is very important.

In order to provide a fresh impetus to the growth of industry, the Government has recently formed an Industrial Development Corporation partly financed by the Government for the large-scale manufacture of heavy chemicals, sheet glass and glass-ware, glucose, starch, casein and other plastics. To plan comprehensively for post-war economic and industrial development, the State constituted a Post-war Planning Board and created a full-fledged Secretariat. The Board is assisted by a number of committees and sub-committees consisting of officials, non-officials and experts. The Board has already drawn out an ambitious plan and an Industrial Delegation has been sent to the United States. Orders worth about \$ 5 million have been placed with the British manufacturers on behalf of the State. These orders relate to textile machinery, rayon mills, machine tools, thermal power station equipment and light engineering machinery. The State proposes to expand the textile industry by an addition of 404,540 spindles and 7,111 looms. This would mean the establishment of six new mills.

(The Indian Textile Journal, December, 1946).

5-Year Plan of Development for Baluchistan

The Government of India has announced a five-year plan for the development of Baluchistan; the budget for the 2-year plan is Rs. 50 million. The plan includes expansion of agriculture and irrigation works. A sub-surface weir is proposed to be constructed which when completed would increase food production in Baluchistan.

(The National Call, 31-1-1947).

List of the more important publications received in this
Office during January, 1947.

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Conditions of Work

- (1) Report on the working of the Payment of Wages Act in the Province of Madras for the calendar year 1945. Printed by the Superintendent, Government Press, Madras. 1947. Price 8 annas.
- (2) Administration Report of the Labour Department on the work done for the amelioration of the Eligible Communities for the year ending 31st March 1946. Printed by the Superintendent, Government Press, Madras. 1946. Price 8 annas.

Economic Conditions

- (1) "Industrial India", edited by Sir Chunilal B. Mehta and R.V. Murthy. 1946.
- (2) Indian Central Cotton Committee, Bombay: Annual Report of the Director, Technological Laboratory for the year ending 31st May 1946. Price Annas 6. pp.35.
- (3) "Review of the Trade of India in 1943-44". Office of the Economic Adviser, Government of India. Published by the Manager of Publications Delhi. 1946. Price Rs.4-2-0 or 6s.6d. Pages ix + 254.

Agriculture

- (1) "Developing Village India" - Special Number of "Indian Farming" 1946. The Imperial Council of Agricultural Research, New Delhi.
- (2) Agricultural Statistics of India, 1938-39. Vol. I. Department of Commercial Intelligence and Statistics, India. Published by the Manager of Publications, Delhi. Price Rs.10/= or 16s. pp.365.

Organisation, Congresses, etc.

(*) The Employers' Federation of India, Elphinstone Building, Churchgate Street, Bombay:

(a) Fourteenth Annual Report, 1946.

(b) Proceedings of the Fourteenth Annual General Meeting. 1946.

Post-War Reconstruction

Report on the progress of the Organisation of Employment Services in India for the period 1st July to 31st December, 1946. (roneoed).

Miscellaneous

"India Struggles for Freedom", by Hirendranath Mukerjee. Kutub Publishers, Bombay. 1946.