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INTERNATIONAL LABOUR OFFICE

INDIAN BRANCH

Industrial and Labour Developments in February, 1945.

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

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International Labour Office  
**NATIONAL LABOUR LEGISLATION.**

Date Recd. APR - 9 1945

File

Bombay:

Amendment of Bombay Factories Rules, 1935:  
Exemptions from Hours of Work and Rest  
Provisions.

In exercise of the powers conferred by section 43 of the Factories Act, 1934, the Government of Bombay has gazetted on 5-2-1945 certain amendments in the Bombay Factories Rules, 1935, with effect from 12-1-1945. These amendments relate to (a) definition of persons holding positions of supervision or management, and (b) adult workers exempted under Section 43(2), (3) and (4) from certain restrictions on working hours. The amendments relating to adult workers provide:

Total overtime ~~from~~ for ~~males~~ women exempted from section 34:- Where women are exempted from the provisions of section 34, under the provisions of section 43, the total overtime permitted shall not exceed six hours during the week.

Total overtime for male adult workers exempted from sections 34 and 36.- Where male adult workers are exempted from the provisions of section 36, ~~the overtime permitted shall not exceed twelve hours in any one week.~~ But nothing in this rule shall apply to work on urgent repairs carried out under certain prescribed conditions.

(The Bombay Government Gazette dated 8-2-1945, part IV-A, pages 18-18 ).

Punjab:

Health Insurance of Workers: Non-Official Bill  
to be introduced in Punjab Legislative  
Assembly.

The Speaker of the Punjab Legislative Assembly has admitted the notice of a non-official Bill for the next session of the Legislature, providing for a scheme of voluntary and compulsory health insurance of workers aged 16 years ~~and~~ or above and receiving wages below Rs. 100 per month.

(The Hindu, dated 13-2-1945).†

SOCIAL POLICY.

6th Meeting of Standing Labour Committee,  
to be held on 17-3-1945: Health Insurance  
Scheme to be considered.

The sixth meeting of the Standing Labour Committee will be held at New Delhi on 17-3-1945. The Committee will discuss Prof. B.P. Adarkar's report on health insurance for industrial workers and the question of revising the constitution of the Tripartite Labour Conference.

(The Hindustan Times, 13-2-1945). +

Conditions of Work.

Women's Work.

Conditions of Work of Women Mine Employees:  
Labour Member's Reply to Interpellations in  
Central Assembly.

In answer to a number of interpellations put at question time in the Central Assembly on 21-2-1945, Dr. Ambedkar, Labour Member, gave the following information with regard to the conditions of work of women employed in surface and under-ground work in mines:

No specific arrangements have been made for the care of infants and children of women miners working inside mines and on the surface, but at a few mines, creches with female attendants have been provided and in some collieries, child clinics exist where milk is distributed to miners' children. The question of requiring all owners to provide creches is under the Government's consideration. Asked whether Government would prohibit the employment of women underground until definite steps had been taken for the proper care of their children, he explained that it was difficult to ascertain the magnitude of the problem raised and whether there were women employed who had sucking babies. To the question whether four weeks' absence before and after delivery was not found insufficient to give adequate relief to women miners, he replied that the matter of increasing the period before delivery in respect of ~~was~~ women employed underground was under consideration. He also said that Government had no information about cases of children being born underground.

(The Statesman, 22-2-1945). + +

Industrial Disputes.

Improved Machinery for Adjudication of Trade Disputes in Bengal: Assessors to be appointed.

With a view to improve the existing machinery for adjudication of trade disputes, the Government of Bengal, it is understood, is proposing to appoint assessors to advise adjudicators regarding the technical aspects of ~~a~~ ~~disputed~~ ~~sugar~~. The assessors will be selected by the Government for each case from panels of employers and workers constituted for different industries.

Commenting on the unsatisfactory nature of the existing machinery for conciliation in Bengal, Mr. Mrinal Kanti Bose, the recently elected president of the A.I.T.U.C., at a reception held in his honour at Calcutta on 4-2-1945, had pointed out: "The machinery of conciliation, arbitration and organisation provided by law for the settlement of labour disputes is working very creakily in Bengal. The Labour Commissioner had been saddled with too many functions with the result that cases of dispute about a year old had been pending before him. The Deputy Commissioner and the Assistant Commissioners are nothing but glorified clerks. The result is great unrest among workers".

(The Hindu, dated 19-2-1945 and the Amrita Bazar Patrika, 7-2-1945 ).+

Settlement of Labour Disputes in U.P. Sugar Factories: Labour Commissioner's efforts.

According to a report in the Leader dated 14-2-1945 the Labour Commissioner, United Provinces, has, from the beginning of 1945, taken over, from the Assistant Cane Commissioner, the function of settlement of individual disputes in sugar factories in the Province. In this connection, it is further learnt, the Labour Commissioner has addressed the Indian Sugar Syndicate enquiring if its members would, on the lines of the convention adopted by the Employers' Association of Northern India, Cawnpore, accept the decisions of the Labour Commissioner or his Conciliation Officer on subjects like dismissal, discharge, punishments, non-payment of wages, dearness allowance, bonus, etc.

(The ~~V~~ Leader, 14-2-1945).+

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Permanent Machinery for Arbitration of  
Industrial Disputes: Restoration demanded  
by Ahmedabad Textile Labour Association.

A resolution urging the restoration of the permanent machinery of arbitration in disputes between employers and employees in the local textile industry was passed at a recent meeting of the Joint ~~Rep~~ Representative Board of the Ahmedabad Textile Labour Association held in the first week of February, 1944. The meeting, by another resolution, decided to establish a Labour Research and Training Institute for training trade union workers in the principles and methods of Mahatma Gandhi for the guidance of the labour movement, and called upon the workers to contribute one rupee per head at each payment of the dearness allowance for financing the institute.

(The Times of India, 12-2-1945).

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Welfare.

Welfare Measures for Employees in  
Central Government Presses.

Extra remuneration to the extent of 20 per cent of pay, subject to a maximum of Rs. 20 per month and minimum of Rs. 4 month (during the winter season—November to March), has been granted to night-shift workers of the Government of India Press, Simla, from 1-11-1945. This forms part of the of the several measures undertaken recently with a view to securing the welfare of labour employed in Government printing presses. These measures include the appointment of a personnel officer. The Industrial Workers' Unions of the Government Presses in New Delhi, Simla and Aligarh, have been recognised by the Government. To secure prompt consideration of their requests, the Unions can send advance copies of their representations direct to the Government of India. Some of the other concessions granted recently to press labour are: increase in the initial pay of copy-holders; installation of radio sets with loud speakers in the Simla and New Delhi presses; grant of special house rent allowance and introduction of time-scale of pay in place of graded rates for binders and ware-house men in the New Delhi Press and for compositors in the Aligarh Press.

(The Hindu, 11-2-1945)..

General.

Causes of Coal Shortage: Statement by A.I.T.U.C. President.

Mr. Mrinal Kanti Bose, President, All India Trade Union Congress, has issued a statement in the last week of February 1945 explaining the causes, of present shortage of coal in India. The main points brought out by Mr. Bose are summarised below:

The recent statements made by the Government of India's Supply Member on the floor of the Indian Legislative Assembly are calculated to mislead the public as to the real cause of the shortage of coal, particularly of soft coke for ~~domestic~~ domestic use. The policy and measures of the Government and colliery-owners ~~are~~ are largely responsible for the shortage. It is only about a year ago that a scheme was prepared to induce the workers not to leave the collieries and seek employment elsewhere on better wages and conditions. But these terms are far from attractive. A ~~week~~ worker's earnings on wages, dearness allowance, cash ~~benefits~~ benefits, rice ration, all told do not exceed Rs. 20 a month; but the price of commodities having gone up by 233 per cent, the workers can not maintain themselves on this remuneration. Military and other contractors within a radius of 60 miles of the coal area offer far better wages which amount from Rs. 30 to Rs. 35 a month. ~~The Supply Member says that about 16,000 women workers have been employed in the collieries since the lifting of the ban on their employment.~~ This has not improved the situation, as the shortage in the supply of tubs, coal-cutting machinery and wagons continues.

Even more disastrous than these factors has been the policy of the Government and the owners in regard to the labour unions that are operating in the coal areas. The unions are all for increasing output, but they are trying at the same time to induce the owners to make the terms of ~~the~~ employment more attractive. The Government has been making subventions to the owners, but have done practically nothing to compel them to be considerate to the workers. On the contrary, local executive officers have been harassing the union workers in every possible way by having them arrested and prosecuted on frivolous charges. Union meetings have been prohibited not only in the coal areas but also in the ~~the~~ near-by estates of the owners. The forcible suppression of legitimate union activities has filled the minds of the workers with deep discontent. This is also responsible, to no small extent, for the unsatisfactory raising of coal.

(Amrita Bazar Patrika, 28-2-1945)+ +



## ECONOMIC CONDITIONS.

### Conditions of Cement Industry in 1944: Sir Homi Mody's Review at 8th General Meeting of Associated Cement Companies Limited.

Reviewing the progress during 1944 of the Associated Cement Companies, Ltd., the premier cement concern in India, in his presidential address at the 8th annual general meeting of the Companies held at Bombay on 12-1-1945, Sir Homi Mody, Chairman, said that the results for the year as compared to those of the previous year, were satisfactory. Despite material decrease in ~~max~~ production and despatches and certain other adverse factors, such as transport difficulties, labour and coal shortage, higher costs and increased taxation, the profits showed improvement over the figure for the previous year. This was due ~~in~~ the main to the sales realisation being higher and the Companies having secured a more equitable contract with the Government of India.

The price of cement for the public consumption had to be raised owing to the increased cost of production, and the ceiling price had been fixed by Government at Rs. 68-12-0 per ton, with a provision for reconsideration every six months. The directors had, however, been continually urging Government to release a larger quota to the public, but it was doubtful if the situation would materially improve for some time to come.

Sir Homi declared that so far as the cement industry was concerned, ~~owing to the urgency of the demands which would be placed on it in the immediate post-war years, the orderly planning of future development was under the active consideration of Government.~~ The Companies also had carefully worked out a programme of expansion. The erection of a factory at Chaibasa embodying several new features was undertaken during the year under review, and sanction was obtained for extensions to two of the existing works. There were several factors which inclined the Board of Directors ~~which~~ to view the future with a certain measure of assurance. Cement would be in the forefront of the industries whose rational development was ~~as~~ regarded as essential in the national interests. Large-scale projects for roads, irrigation, public works and the like would be undertaken in the immediate post-war period, and the needs of devastated areas in neighbouring countries would call for a greater export demand, at least until such time as their own cement factories were in a position to supply their requirements. The Companies were fully prepared for a considerable expansion of ~~its~~ capacity, based on plans which had been carefully worked out.

Dealing with the prospects of the industry for 1945, he pointed out that, as in the case of other industries, coal shortage presented a major difficulty, and said that until the situation with regard to this essential raw material and in respect of transport improved it was not possible to speak with any assurance about the present position. He added that the Companies' contract with the Government of India, who had been for a long time ~~has~~ their largest individual customer, had been renewed on the same terms as in the previous year, including provisions for adjustment of price in respect of any increase in the cost of manufacture, and that if production could be maintained at anything like the level of their capacity, the profits for the year would be satisfactory.

Sir Homi also announced the Board of Directors' recommendations for the payment to the Companies' staff of a bonus for 1944 equivalent to two months' salary.

The Labour Welfare measures adopted by the Companies, which were also dealt with by Sir Homi, were referred to at page 7 of our report for January, 1945. (The Times of India, 15-1-1945).

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International Business Conference:  
Review of Indian Delegation's Work  
by Leader.

The work of the Indian Delegation to the International Business Conference (vide page 60 of our report for October 1944) was briefly reviewed by Sir Chunnilal B. Mehta, leader of the Delegation, at a press interview at Karachi on 1-1-1945 immediately on his return. The main points of the interview are briefly noticed below:

The main theme at the Conference was the expansion of world trade. The Conference was divided into eight sections: private enterprise, commercial policy of nations, currency relations among nations, transportation and communications, raw materials and foodstuffs, cartels, industrialisation in new areas, and encouragement and protection of investments. In each section, the Indian delegation had placed one delegate and also an adviser. In all sections the Indian viewpoint was expressed freely and in strong terms.

Export Subsidies: Sterling Balances: Cartels.- On the subject of export subsidies, the Indian delegation proposed an addendum to the report on commercial policy of nations to the effect that economic competition by giving export subsidies was not desirable. The ~~addendum~~ matter referred specially to the proposed export subsidies on cotton by the United States. The addendum was passed by a great majority. The ~~in~~ question was raised of India's sterling balances accumulated in Britain; in all the sections this question was raised, and though there was full appreciation of the subject there was no definite recommendation to settle the question on an international basis. On the question of cartels, there was a difference of opinion among the big nations. The Indian delegation, opposed cartels as the Indian market was being exploited by powerful foreign cartels.

Indian' Low Purchasing Power: Coastal  
Traffic: Internal Civil Aviation.

The Indian delegation stressed the importance of the rapid development of Indian industries so as to consume the raw materials now being exported. The low purchasing power of the Indian masses was also stressed by the Indian delegation and the point was fully appreciated. As regards transport and communications, the principle that full authority over coastal transport and internal civil aviation should rest with the people of each country was accepted.

(The Times of India, dated  
3-1-1945 ).

Budget of the Government of India for  
1945-46.

The Budget of the ~~Central~~ Government of India for 1945-46 was presented in the Central Legislative Assembly on 28-2-1945 by Sir Jeremy Raisman, the Finance Member. The budget disclosed a deficit of Rs. 1,557.7 million for the current financial year (1944-45) according to the revised estimates and a deficit of Rs. 1,638.9 million in the Budget Estimates for the next year (1945-46).

The following are the figures :

Revised Estimates for 1944-45.

Revenue	Rs. 3,568.8 million.
Expenditure	Rs. 5,126.5 million.
<b>Deficit</b>	<b>Rs. 1,557.7 million.</b>

Budget Estimates for 1945-46.

Revenue	Rs. <del>3,557.4</del> 3,557.4 million.
Expenditure	Rs. 5,176.3 million.
Deficit	Rs. 1,638.9 million.
Fresh Taxation	Rs. 86.0 million.
Net deficit	Rs. 1,552.9 million.

Defence Expenditure.

Revised Estimate for 1944-45:

Revenue Portion	Rs. 3,978.3 million.
Capital Portion <del>Rs.</del>	Rs. 594.1 million.

Budget Estimates for 1945-46.

Revenue Portion	Rs. 3,942.3 million.
Capital Portion	Rs. 177.6 million.

Financial Year 1944-45:

Agreement with H.M.G. re. Allocation of Non-Effective Charges.- During 1944-45 the negotiations of the Government of India with H.M.G. that had been in progress for some time past regarding the allocation during the war of non-effective charges, i.e., pensions and gratuities paid to personnel of the defence services and their dependants, were concluded and an agreement on the subject ~~was~~ reached between the two Governments.

Prior to the outbreak of the present war, each Government received from the other contributions in respect of so much of the pensions and gratuities~~of~~ of their own armed forces as were reckoned to have been earned in the service of the other Government. Since under normal conditions the number of British service personnel employed in India far exceeded the number of Indian service personnel employed at Imperial stations, the net result of these adjustments was a substantial annual payment by India to H.M.G. This process necessitated the maintenance of an elaborate non-effective account and the continuous collection of detailed information regarding the service of many thousands of officers and men. The matter has therefore been examined at great length by technical experts of both the Governments and the agreement now reached may be summarised as follows: (1) The non-effective account between the two Governments to be finally closed as on the 1st April 1939, India's

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net liability towards H.M.G. for the non-effective charges of all defence personnel on that date being discharged by a lump sum payment of £ 15 millions. (2) India's net liability thereafter during the war to be fully discharged by an annual payment of £ 1,350,000 to H.M.G. (3) Each Government to bear the cost of these casualty pensions and other abnormal non-effective charges arising out of the war, which are sanctioned under its own regulations. (4) The new agreement to be co-terminous with the main Financial Settlement, a fresh agreement to be negotiated thereafter. It is felt that this non-effective agreement has the great merit of simplicity, while securing an equitable apportionment of the charges in question between the two Governments. The agreement provides for the payment of the sum of £ 15 million on the date of its termination. Recently H.M.G. enquired whether the Government of India would be disposed to pay this amount in advance of that date and offered to reduce the annual payment of £ 1,350,000 by £ 450,000 as from the date of such premature payment. As this offer seemed to the Government of India a favourable one, it has been accepted and the payment was made on the 1st February 1945, from which date the annual payment will accordingly be reduced to £ 900,000.

Some of the other major developments in defence expenditure during the year are: (1) The grant of war service increments and other pay increases to both British and Indian troops; (2) heavy demands from the U.S.A. Forces in India for goods and services on Reciprocal Aid; and (3) the decision that India would be liable for the indigenous element in the cost of imported petrol utilised for her own war purposes.

Civil Estimates for 1944-45.— The continuance of war conditions and, the necessity ~~to plan for the~~ transition period and the days of peace ahead inevitably involved an increase in governmental co-ordination and control, which is reflected in increased expenditure. ~~Thus~~ civil estimates now stand at ~~Rs. 1,154.2 million~~ Rs. 1,154.2 million compared with Rs. 863.8 million provided in the budget. Provision for Rs. 15 million was made in the current year's estimates as central assistance to Bengal for meeting heavy expenditure on famine relief. Representations were, however, received from the Provincial Government that the grant was inadequate and the position was reviewed. It was finally decided to make an ex gratia subvention of half of the direct cost of the famine, subject to a maximum of Rs. 100 million, of which Rs. 30 million had already been adjusted in 1943-44.

Another important item is the expenditure involved in paying compensation for damage resulting from the explosions in the Bombay Dock in April 1944. The machinery for dealing with claims is at work and steady progress is being made in disposing of them. At present it is not possible to assess accurately the total amount which will be involved, but provision has been made for an expenditure of Rs. 102.5 million this year and Rs. 57.5 million next year. The question of the incidence of this expenditure is under consideration and pending a final decision as to the sharing of the cost between India and His Majesty's Government, it has been decided to meet the sums involved from general revenues.

Other interesting items of expenditure that may be mentioned are: Food procurement ~~measures~~ measures in which steady progress has been made towards Government monopoly; Government purchase of cloth and other commodities so as to maintain stability of prices; measures like payment of bonus to colliery owners ~~to increase~~ to increase production of coal and to ensure its equitable distribution; purchase of stores by the Supply Department; Financial assistance to evacuees and their families; contribution to the U.N.R.R.A.; and the increased expenses involved in liberalising the scales of dearness allowance for Government servants.

Ways and Means.— As in previous years, borrowing continued to be

the mainstay of Government's ways and means programme and no effort was spared to stimulate lending to Government by the various sections of the public. For the best part of the year, war developments continued to be encouraging, and this was undoubtedly a favourable psychological factor. The total amount invested by the public in various forms of public loans reached Rs. 2,860 million during the twelve months beginning with the 1st February 1944 and ending with 31st January 1945. This figure, which approximates to the total receipts for the previous twelve months, must be regarded in the context of the other anti-inflationary measures newly introduced during the year, such as the hundred per cent immobilisation of excess profits, the 'Pay-as-you-earn' incometax collections and the sales of gold and silver which also played a not inconsiderable part in mopping up surplus funds. In continuation of the cheap money policy hitherto followed, the Government has, in consultation with the Reserve Bank, framed its borrowing programme so as to make available to the public a wide range of securities. The progressive total of public loans since the beginning of the war reached Rs. 8,330 million by the end of January, 1945. Net investments, that is the excess of deposits over withdrawals, in Post Office Savings Banks and other forms of small savings continued at the satisfactory rate of nearly Rs. 50 million a month, due to some extent, to the raising of the rate of interest on Savings Bank deposits and, in a larger measure, to the scheme of Small Savings.

Anti-inflationary Measures.- The various anti-inflationary measures of the Government of India were sustained, and in places extended, during the year. Most of the usual indices responded encouragingly to these measures, and to the very favourable turn in hostilities that the year witnessed. The general index number of wholesale prices of the Economic Adviser, for instance, ranged between 240 and 250 approximately since May 1944, and the Calcutta index number had been relatively stationary for the last few months. Cost of living index numbers, generally speaking, have also registered declines in differing degrees since the peak reached during the autumn of 1943, the general picture being one of comparative stabilisation in recent months. There is also evidence that the low rate of turnover of bank deposits characteristic of last year has been maintained, and that there has been, through the greater part of the year, some slackening of the general pace of monetary circulation. There was, moreover, a very marked decrease in the rate of currency expansion, particularly in the first eight months of the current year. In the last two months the results have not be so favourable.

The Government, is carefully reviewing both the scope for reducing the load on the country's resources constituted by its own and the Allies' war efforts and the possibility of adding to the available supplies of goods required for public consumption. This is the main object of the Hydari Mission which, it is hoped, will succeed in reducing the economic load incidental to the use of India as a base for further operations in the East.

The Reserve Bank continued to effect sales of gold on behalf of His Majesty's Government and the Government of the U.S.A. and these contributed substantially to the reduction of the inflationary gap. Sales of Lend-Lease silver, which were commenced in the middle of the year, have further aided in mopping up surplus resources which do not find their way to Government loans.

India and the United Nations Monetary and Financial Conference.- India was represented at the United Nations Monetary and Financial Conference held at Bretton Woods, U.S., during July, 1945, by a delegation consisting of the Finance Member, Government of India, the Governor of the Reserve Bank, the Economic Adviser to the Government ~~and~~ and two distinguished non-officials. The main conclusions of the Conference relating to the establishment of an International Monetary Fund and an

International Bank for Reconstruction and Development are recorded in Articles of Agreement to which none of the Governments is as yet committed. The Articles are incorporated in a Final Act of the proceedings of the Conference which have been published. The Indian Delegation has now submitted its report to the Government and it will be placed before the Indian Legislature in due course, when the conclusions of the Conference can be reviewed in the light of the action taken on them by the principal countries concerned, in particular by the United States and the United Kingdom.

The Indian Delegation pressed the Conference to provide for partial multilateral clearing of war balances through the machinery of the Fund, in the interest alike of promoting economic development of backward countries and assisting the broad objective of the Fund to secure the expansion of multilateral trade; for it was feared that the relegation to bilateral channels of the whole of the large area of trading involved in the settlement of war balances might seriously constrict the scope of multilateral transactions. The proposal was, however, negatived by the Conference primarily on the ground of the limited size of the Fund in relation to the magnitude of the war balances. The question, therefore, remains one of settlement in direct negotiation with the United Kingdom.

Sterling Balances.- After the Conference, preliminary talks were held in London between the Finance Member, Government of India, and the Treasury officials of H.M.G. on the question of India's sterling balances. But since many of the material data were still incomplete and uncertain, particularly the exporting capacity of Great Britain in the immediate post-war years on the one hand, and the development requirements and absorbing capacity of India on the other, these ~~series~~ conversations were directed towards exploring the background for future discussions and the indication of a suitable time-table for more definite negotiations. The vicissitudes of the war in the West have disturbed the provisional time-table foreshadowed at these talks, and the Government of India considers that no negotiations can be usefully entered upon until ~~the~~ after the end of the war with Germany. In view of the lack of definition at this stage of India's own development programme, the delay may not be prejudicial to her interests. It may even prove necessary that any negotiations to be carried on should, in the first instance, be of a tentative character and should secure both parties an agreed opportunity for review at a later stage when firmer data may be expected to be available.

During the current financial year, sterling continued to accrue from market purchases and from payments received in London on account of recoverable war expenditure incurred by the Allied Governments in India. During the last eleven months of the year, £ 248 million were added to the Reserve Bank's holdings, and it ~~is~~ is estimated that allowing for the receipts during the last month of the year, the total holding as on the 31st March 1945 will be of the order of £ 1,030 million. It is hoped that the rate of accrual will be slowed down in future both by diversion of some of the demands now made on India to other sources of supply and by an increase in compensatory imports. With the virtual completion of the scheme of repatriation of sterling liabilities of the Government of India, including payments on account of railway and railway debentures, there was limited scope for the utilisation of sterling during the year, ~~with~~ with the exception of £ 15 million for the capitalisation of a portion of India's non-effective charges referred to earlier and of £ 10 million for the ~~the~~ acquisition of the M. & S.M. Railway, the S.I. Railway, and the B.N. Railway. The outstanding sterling liabilities of Government now stand at about £ 11 million.

Dollar Resources.- On H.M.G. agreeing to set aside, each year, as

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a special case, a part of the dollars accruing from India's export surplus to the U.S.A., an amount earmarked specifically for India's post-war development, the Government of India decided to accept an amount of \$ 20 million for the calendar year 1944 and a similar amount for 1945, subject to re-examination later in the light of the relevant statistics for that year. This is in addition to what is needed for current requirements. In agreeing to it, Government had recognised that it was both reasonable and necessary, with a view to ensuring the stability of the sterling system in which it was so closely interested and that it should continue to make some contribution to the replenishment of the sterling area reserves, which had been depleted in the common war effort. On the other hand, Government had also been anxious to make some immediate tangible provision for foreign exchange for the purchase of capital goods likely to be required for India's post-war development purposes, and it was felt that the above arrangement represented in the circumstances a fair and valuable concession to this point of view. The relevant figures will be under periodic review and it is the Government's intention that at no stage should India's direct interests be subordinated to interests other than those in which she herself has a greater, although indirect, interest.

Post-War Development.- In the matter of detailed planning for post-war development much progress has been achieved during the past ~~two~~ twelve months, and the creation of a separate department at the Centre for this purpose and of suitable planning organisations in the Provinces and States bears witness to the determination of the various governmental authorities for initiating major development schemes after the war. But in the Finance Member's opinion so long as the financial and currency ~~is~~ system of the country is overstrained in the maintenance of the war effort or in securing the early stages of transition from war to peace, new expenditure on a large scale on national development schemes would be dangerous in the extreme. The first year or two at least after actual fighting ends will inevitably be for the Centre years of heavy deficit on revenue account. It will be during this period that the Provincial Governments will find of particular value the post-war Reconstruction Funds ~~in~~ which they have been building up during the war.

While it was considered indubitable that large scale development projects could not be initiated so long as war conditions continued, the Government had no hesitation in embarking on such preparatory work as was found to be possible and desirable, or in taking any action calculated to secure early results of anti-inflationary value. Thus, of late the Government has set up a Central Electrical Power Board, an Irrigation and Waterways Board, a Resettlement and Re-employment Directorate with a network of Employment Exchanges, and established numerous panels of industrialists, assisted by Government personnel, to prepare plans for industrial development. Plans have been laid for high-level technical training abroad, on a large scale but suitably diversified, and steps have been taken to set up a Rs. 100 million Government Fertiliser factory to produce annually 350,000 tons of ammonium sulphate. This general policy the Government intends to continue, and provision for Rs. 10 million has been made in the Budget for 1945-46 for such measures of a like nature as may be found practicable. This is over and above the provisions made in the Budgets of the various administrative departments for their planning activities.

Financial Year 1945-46.- Against a total estimated expenditure, military and civil, of Rs. 5,176.3 million during the year, the total revenue at the existing level of taxation is estimated at Rs. 3,537.4 million, leaving a revenue deficit of Rs. 1,638.9 million. As regards taxation to cover this gap, the Finance Member holds the view that no really significant improvement can be effected by any practicable major change in the sphere of Central taxation. The scope for further

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improvement in this field lies rather, in his opinion, in the direction of greater efforts to combat evasion and in the enforcement of existing tax obligations. For the rest, he would rely on the expansion of Government borrowing ~~taxes~~ programme and on the response of the public, born of the gradually widening appreciation of its importance to the maintenance of the economic health of the community, ~~and~~ assisted by the operation of the various controls.

**Direct Taxation.**- In the sphere of direct taxation, it is proposed to continue the excess profits tax at the present rate, together with the scheme of compulsory deposits, for another year, that is up to 31-3-1946. As regards income-tax, Government has given considerable thought to the problems which will shortly arise in regard to the financing of the re-equipment of industry. The restoration and expansion of the machinery of production will call for some new form of assistance, and it is proposed that this should be in the form of special initial depreciation allowances in respect of new buildings erected, and new plant and machinery installed, after 31-3-1945. These allowances will, in the year in which they are given, be an addition to the usual depreciation allowances and they will not be deductible in arriving at the written down value. They will not be given for E.P.T. purposes. It is proposed to prescribe these allowances by rule, but the rates now contemplated by the Government are 20 per cent on plant and machinery and 10 per cent on buildings. Allowances at these rates, in addition to the usual rates, are expected to provide substantial encouragement for the early re-equipment of industry.

**Scientific Research.**- It is also proposed to allow for income-tax purposes ~~expenditure on~~ scientific research. The proposals follow generally the provisions in the U.K. Finance Act, 1944, which have been described by the Chancellor of the Exchequer as "a comprehensive attempt to relieve from taxation altogether funds devoted by industry to the support of fundamental research, to the translation of laboratory research to production and to the full-scale development of the product". The proposals, in brief, are the allowance of current research expenditure as it is incurred, the allowance of payments to recognised research bodies and institutions and the allowance over a period of five years or over the life of the assets, if shorter, of research expenditure of a capital nature.

**Earned Income Relief.**- Recent developments in India have emphasised the necessity for differentiating, for taxation purposes, between incomes that are earned by personal exertion and incomes that are not so earned. It is therefore proposed that there should be an exemption from taxation of one-tenth of earned income subject to a maximum (in terms of income) of Rs. 2,000. The exemption will be given only in respect of income which may be described as derived from personal exertion and will not therefore, for example, apply to the income of companies or in respect of dividends, interest on securities or income from property. It will be given only for income-tax and not for super-tax. The cost of this earned income relief is estimated at Rs. 35 million.

**Indirect Taxes.**- In the sphere of indirect taxes, the Customs surcharges which are being levied for revenue purposes during the present abnormal conditions will be continued for another year. In the Central Excise tariff a further change is proposed in respect of tobacco. The improved shipping situation has enabled the limit placed on the proportion of imported tobacco in the more expensive types of cigarette to be raised from thirty to seventy per cent. It is accordingly now proposed that the highest class of flue-cured tobacco in the ~~excise~~ excise tariff should be subdivided into three and should be subjected to a duty of seven rupees eight annas, five rupees, or three rupees eight annas a pound, according as it is intended for use in the manufacture of cigarettes containing more than sixty per cent, more than forty but not more than



sixty per cent, or more than twenty but not more than forty per cent by weight of imported tobacco. Minor changes include a parallel increase in the rate of duty on flue-cured tobacco intended for any purpose other than those specified in the tariff. Complementary changes to these will be made in the Customs tariff, where the standard rate of duty on un-manufactured ~~tabacco~~ tobacco is being raised to seven rupees eight annas a pound, with no surcharge, and the rates for related items—cigars, cigarettes and manufactured tobacco—are being re-fixed so as to correspond. These changes, which will come into effect immediately by virtue of a certificate under the Provisional Collection of Taxes Act, are expected to result in an increased revenue of Rs. 36 million under Excise and Rs. 24 million under Customs, a total of Rs. 60 million.

The only other changes included in the Finance Bill this year relate to postal parcels, the traffic in which continues to increase at a rate with which it is difficult to cope. The rate, which is now 6 annas for the first forty tolas and 4 annas for every forty tolas thereafter, will be raised to a uniform 6 annas for every 40 tolas. It is also intended to raise the surcharge on telephone rentals from one-third to one-half, and that on trunk call fees from 20 per cent to 40 per cent. The surcharge on ordinary and express telegrams will also be increased by one anna and two annas respectively. The total additional estimated yield of these increases is Rs. 13.5 million.

Excluding the effect of the proposals for relief to industry in respect of re-equipment and scientific research, of which no reliable estimate can be made at this stage, the changes in taxation and in postal and telegraph rates will yield an estimated increased revenue of Rs. 86 million, which would reduce the prospective deficit to Rs. 1,552.9 million.

**Estate Duty.**— The Government of India realises that the Provincial Governments will need all the funds that they can raise so as to stabilise the economy of the postwar period and to finance the various schemes. It is in this context that the Estate Duty Bill, which is to be introduced in the current session of the Legislature, should be viewed. For this measure, together with the recent expansion of commodity taxation, may be regarded as the first concrete step towards the building up of a planned and expanding financial system for the future.

(The Gazette of India Extraordinary, dated 28-2-1945, pages 167-186). +

Railway Budget for 1945-46.

The Railway Budget of the Government of India for 1945-46 was introduced in the Central Legislative Assembly on 15-2-1945 by Sir Edward Benthall, the Railway Member. The following figures indicate the financial results of the working of the railways during the three years 1943-44, 1944-45 and 1945-46.

In millions of Rupees.

<b>Receipts</b>	1943-44 (Actual)	1944-45 (Revised)	1945-46. (Estimate)
Receipts	1882.1	2173.1	2237.7
Expenditure	1373.7	1753.0	1872.6
Surplus	508.4	420.1	365.1

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Of the surplus, general revenues will receive Rs. 320 million this year (1944-45) and next year also the same amount, unless the actual position turns out substantially different from what is forecast now. Of the amount to be transferred to Railway Reserve, ~~in~~ namely Rs. 100 million in 1944-45 and Rs. 45.1 million in 1945-46, Rs. 70 million is earmarked for overtaking arrears of maintenance.

Railway Member's Review of Conditions.- ~~introducing~~ Introducing the Railway Budget, Sir Edward Benthall, disclosed a gratifying picture of railway performance. Military operational demands were satisfactorily met and essential civilian transport was provided. As regards foodstuffs, in particular, he claimed that in 1944 nobody went short of the necessaries of life because of failure of rail transport.

Construction Work.- Since the war began over 1,400 miles of military sidings have been constructed; 70 ~~miles~~ miles of permanent and 153 miles of temporary sidings for airfields, 21 miles of new single line and 400 miles of doubling ~~of~~ quadrupling have been completed up to the end of January, 1945; and the programme is by no means finished. In addition, 198 crossing stations, additional loops at 174 stations, lengthening of loop at 145 stations and remodelling of 30 large station yards have been ~~arranged~~ completed. In all some 3,500 miles of track material have been arranged for, including 1,205 miles for overseas, so that in spite of the difficulties arising from shortage of materials and labour and the pressure of everyday maintenance work, the engineering departments have succeeded in providing the equivalent of a good sized railway system.

Some 10,000,000 passengers more were carried monthly in 1944 than in 1943 and 25,000,000 more in 1945 now than in 1942 in spite of the relatively small increase in war activity of which the figures of coal consumption and rail movements of goods are a good index. Vigorous efforts are being made to improve the lighting, fitting and cleanliness of trains.

Post-War Plans.- Good progress has been made with the details of post-war plans. A tentative programme of construction of new railways has been prepared in consultation with provincial Governments. This can be put into operation at reasonably short notice and will keep the railways occupied for several years. Standards for improved rolling stock and plans for amenities for third class passengers and staff are being finalized. As regards the manufacture of locomotives and boilers in India, Government hopes to complete the agreement with Messrs Tatas at an early date and to hand over the Singbhum shops to them on April 1, 1945. With assistance from the Tata Iron and Steel Works and from the East Indian Railway, it is planned to produce 100 boilers within 15 months of that date which, even if not fully achieved, will afford substantial relief owing to the late deliveries of boiler orders from overseas. The lay-out ~~of~~ ~~the~~ ~~works~~ ~~at~~ ~~Kanchrapara~~ and equipment for the manufacture of locomotives at Kanchrapara under State management are also being ~~finalized~~ finalized and sufficient progress has been made to enable orders for certain heavy machinery to be placed so as to prevent any avoidable delay in commencing manufacture as soon as the works have been remodelled after release from their war functions. Proposals are in hand for an overhaul of the rating system and for ~~a~~ regrouping the railways. A committee has been set up under the chairmanship of Mr. John Sargent to examine the question of encouraging tourist traffic after the war both by Indians and by tourists from overseas.

Read-rail Competition.- As regards road-rail competition in the post-war period, Government is approaching the problem in the light of the advice tendered by the Transport Advisory Council and the Policy Committee on Transport, and from the point of view of securing the utmost productivity of all forms of transport on a basis of rationalization with the maximum possible co-ordination between the various transport media.

In particular it seeks to secure a close co-ordination between railway and road interests, whether the latter be those of road-operating companies or of provincial Governments who may in future participate in road transport operation.

Purchase of Rolling Stock.- The total rolling stock ordered for use in India since 1942 is 937 broad-gauge engines, 415 metre-gauge engines 46,734 broad-gauge wagons and 12,481 metre-gauge wagons, including the 7,934 broad-gauge and 661 metre-gauge wagons for which orders were placed in India. Of the total rolling stock ordered, 255 broad-gauge engines, 334 metre-gauge engines, 4,029 broad-gauge wagons and 8,790 metre-gauge wagons were in service by the middle of January, 1945. In addition to this, metre-gauge engines and wagons sent overseas from the Indian railways in the early part of the war are now being returned in considerable numbers. It is expected that the whole stock ordered from overseas will be in service by the early part of 1946, and the latest order for 10,000 wagons placed on the Indian Industry is now scheduled for delivery in 1946 or early 1947.

During 1945-46, Government proposed to purchase three railways—the Podanur-Pollachi line - the Jacobabad-Kashmore line - and the Bibru-Sadiya line—at the aggregate cost of Rs. 28.3 million of which Rs.22.6 million will be charged to capital. The work programme for the year would involve an expenditure of Rs. 159.2 million.

Staff.- An exceedingly heavy burden is being borne by the gazetted officers in railways. The strain has increased and 150,000 extra men have been added to the railway services, but, owing to the number of officers lent to the Armed Forces and the Supply Department for posts of great importance, the number of experienced officers in the railways is less than before the war, even after allowing for a considerable number of extensions of service. The proportion of officers to men is 1 to about 450, which is a fraction only of the proportion in the Army, and except on the lines of communication it has not been possible so far to obtain reinforcements of trained supervisory personnel. The task of keeping the machine running efficiently and speeding it up is therefore no light one, apart altogether from the extra construction work to which reference has been made and such extraneous work as creating and operating the enormous grain shop organisation. Commending their services, the Railway Member assured them that any further relief which Government may be able to provide for its officers will be extended to the railways also and that the small relief afforded by cost price canteens will be expanded to the uttermost.

The Railway Member declared that ~~the~~ "the Indian railways are now almost one hundred per cent Indian owned and ~~that~~ they are 99 3/4 per cent operated by Indians and Anglo-Indians".

(The Statesman, 16-2-1945).+

Export Subsidy for U.S.A. Cotton: Indian Central Cotton Committee urges abolition.

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At the half yearly meeting of the Indian Central Cotton Committee held at Bombay on 26-1-1945 under the presidency of Mr. H.R. Stewart, Vice-President, Imperial Council of Agricultural Research, a resolution was adopted expressing ~~an~~ imposed export subsidy of four cents per lb. on American cotton and requesting the Government of India to take up the matter with the United States Government through His Majesty's Government and secure its abolition. In order to solve the problems of large surplus stocks of short staple cotton and general shortage of cloth and yarn for handlooms, the Committee by another resolution recommended to the Government of India to take steps for importing new or second hand reconditioned machinery from the United States or the United Kingdom.

(The Hindu, 27-1-1945).+

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Railway Budget for 1945-46.

Cut Motions: Indianisation of Superior Services, Dearness Allowance and Hours of Work Discussed.

I. Railway Board's Plan to run Bus Services- A motion seeking to refuse the grant of Rs. 8.2 million to the Railway Board for running bus services was adopted by the Central Legislative Assembly on 20-2-1945. Introducing it, Sir Muhammad Yamin Khan, non-official member, declared that the policy of railways operating road transport was a new one, which should have been debated in the House and views of members obtained before the Government ventured on it. If this policy was given effect to, the result would be that the small investor and the private transport operator with one or two lorries would be ruined and thousands who found employment in these small-scale road services would be deprived of their livelihood. He objected particularly to the refusal to supply new lorries to ~~the~~ road transport services in place of those that were requisitioned by the Government.

Sir Kenneth Mitchell, Controller of Road Transport, referred to the constitutional position under which motor transport came under the executive authority of the provinces, and everything by way of co-ordination could only be done by the 11 provinces, which meant 11 safeguards against overriding powers of the Central Government. After the war, he explained, many thousands of vehicles and lakhs (1 lakh = 100,000) of returned drivers would contribute to the development of motor transport, helped by the plan for road construction. That would lead to competition in which everyone would be hurt and finally some kind of rationalization or amalgamation would become necessary. As regards the interests of the small owner, Sir Kenneth declared that it was not the intention to destroy his livelihood, but railways were prepared to co-operate and find means of adjustment of these people, if they would come in or form combinations with which working arrangements could be made. Co-ordination by some fusion of financial interests was likely to be more effective and ~~to~~ give better service and value for money to the country as a whole than unco-ordinated competition, and in the joint companies the small operator would become a shareholder.

The following were some of the issues raised by the Opposition:  
(1) Road transport operation requires a degree of expert knowledge which the Railway Board is not likely to possess; (2) India's industrial development may be handicapped by the 'dumping' of lorries and accessories into India; and (3) Government's monopolising transport might dislocate rural economy, by ~~entering the~~ <sup>eliminating</sup> bullock-cart, etc.

Sir Edward Benthall, War Transport Member, Government of India, in his reply explained that the amount to which the cut motion referred was provision not for any post-war transport purposes but for provision of lorries and running expenses of lorries on certain roads undertaken in order to relieve congestion during war-time, and that the effect of the cut would be the stoppage of the bus services now being operated by certain Railways for transporting supplies and food stuffs. As regards the small owner, Sir Edward said it was equally the desire of Government to preserve him. It was Government's desire to reach an agreement with owners and try to work as a combine, but it was open to the private operator to refuse to come to an agreement. But that would be leaving the field open for ~~mutual~~ cut-throat competition. It was this that should be prevented.

The resolution was passed by 58 votes to 46.

(The Hindustan Times, 21-2-1945)

II. Lack of Proper Amenities for Third Class Passengers.- Another cut motion to discuss the inconveniences of third class passengers was passed by the Assembly on 21-2-1945. Babu Ram Narayan Singh, moving the cut motion pointed out that the revenue derived from the lower class passengers was about 18 times more than the higher class passengers' contribution and the number of third class travellers was 90 times greater than the number of travellers in other classes. Yet very little had been done to improve the condition of <sup>travel</sup> journey in third class compartments.

Mr. N.M. Joshi accused the Government of partiality towards higher class passengers though most of their income was not from them. As against 32,000 first and second class seats there were 1,000,000 third class seats; while for every first class seat there were 776 passengers, for every third class seat there were 7,434 passengers. He had a prima facie case that the Government favoured higher class passengers, and he urged an equitable distribution of the resources of the railways between all classes of passengers. For the few ~~upper classes~~ ~~Government had provided~~ upper classes, Government had provided waiting rooms, refreshment rooms and dining ~~cars~~ cars and the third class travellers had been largely neglected. There were some trains in which only higher class passengers were permitted to travel. It was the third class passenger, who needed relief and comfort because he was travelling under difficult conditions and he should not be excluded from such trains. Mr. Joshi urged that the Government should tell the House every year how much money they had spent in providing ~~amenities~~ amenities to third class passengers. ~~Government should introduce rationing and a system of priorities of the available seats in the upper classes.~~ Col. H.W. Wagstaff, Staff Member, Railway Board, pointed out that discomforts of travel were not restricted to third class passengers; they were shared by all, though they were more in evidence in the case of third class passengers. The real solution could only come with time. Rationing of upper class accommodation suggested by Mr. Joshi had been examined and given up as impracticable. Even if upper class accommodation was reduced by half it would not make much difference in the way of extra accommodation for third class passengers. There had been a great reduction in the use of saloons. Investigations were taking place and designs of third class coaches were being improved.

Sir Edward Benthall said that rationing of available accommodation in favour of the third class passenger to the disadvantage of the first class passenger, was not possible because of the pressure on upper class traffic. Each railway had its programme of amenities but could not go forward with that programme under war conditions as quickly as it would like. The difficulty was in getting steel, coal, and cement, etc. Standards of travel were being reviewed. The programme was to have three classes and to combine inter and third class into one class ~~one class~~ of much higher standard with improved ~~seating, lavatory, water, and so on,~~ ~~besides better~~ arrangements for booking, waiting sheds, platforms, overbridges and replacement of branch lines. Everything possible would be done during war-time to alleviate the conditions.

The motion was passed ~~in~~ without a division.

(The Hindustan Times, 22-2-1945)

III. Indianisation of Superior Services.- Mr. T.S. Avinashalingam Chettiar moved a cut motion in the Assembly on 21-2-1945 to discuss Indianisation of the higher grades in the railway services. Mr. Chettiar said that in the superior services there were few Indians. There were only two Indians among the five members of the Railway Board, and in the nine principal railways there was only one Indian General Manager. On the B.B. and C.I. Railway, out of 81 officers drawing over Rs. 1,000

there were only 14 Indians; in the G.I.P. out of 53 there were 25 Indians; in the B.N. Railway out of 129 officers there were only 42 Indians; and in the Bengal and Assam Railway there were 30 Indian officers in a total of 96 officers. The figures given in the Budget memorandum regarding Indianization, Mr. Chettiar said, was a camouflage. He was not only pressing for more Indianization but for a ~~sharp~~ change of outlook of the Indian railways. Sir Syed Raza Ali, referring to the War Transport Member's statement that ~~99~~ 99 <sup>3</sup>/<sub>4</sub> per cent of the employees in railways were Indians, pointed out that it was an ~~exaggerated~~ <sup>misleading</sup> account, because the remaining one-fourth per cent of Europeans formed the cream of the services.

Sir Edward Benthall, replying to the debate, explained that the Government could not recruit people to occupy top posts straightway but that they must start from the lower grade and rise to the higher grade. The Government set themselves many years ago to the policy of recruiting Indians to the extent of 75 per cent to certain vacancies in the superior services, provided suitable candidates were available. The Company-managed Railways also undertook to follow the same principle and the percentage of Indian officers had risen from 23.7 to 64.37 by March, 1944. Already two-thirds of the services was Indianized. Ten years ago there were 1,074 European officers, but the figure today was 625. The number of Indian officers during the same period had increased from 683 to 1,129. Having regard to the number of European officers whose service had been extended and others who wished to leave directly after the war, Sir Edward said, the House must visualize the present 625 European officers being reduced in the next four years by as much as some 200 men. Since the beginning of the war there had been no recruitment at all from the United Kingdom. The full responsibility of running the Indian Railways would very soon fall entirely on the Indians. The War Transport Member said that out of 311 officers holding administrative posts 73 were Indians. There were two Indian members of the Railway Board, five ~~Directors~~ ~~Deputy~~ ~~Assistant~~ Directors and 23 Deputy and Assistant Directors. In regard to senior subordinates in the last ten years the number of Europeans had decreased from 5,093 to 740.

The cut motion was pressed to a division and carried by 51 to 40 votes.

(The Hindustan Times, 22-2-1945).

IV. Higher Dearness Allowance for Railway Employees.- The Assembly on 22-2-1945 passed a cut motion introduced by Mr. Jamnadas Mehta, asking for higher dearness allowance for Railway employees. Mr. Mehta estimated the profit of railways in the current financial year as Rs. 800 million and he said if 25 per cent of it or Rs. 200 million was given to railwaymen as dearness allowance, it would be some justice to men who had helped the railways as no other people had helped. He calculated that one man in every 40 in India depended on the Railways for livelihood and hence the importance of the question.

Mrs. Subbarayan quoted the Rau Committee's declaration that no wage could be called adequate which did not maintain an employee in a proper state of health and secure a balanced diet. From her personal knowledge of the condition of railwaymen's families whom she had visited, she declared that this standard of wages was not there. Mr. N.M. Joshi quoted another part of the Rau Committee's report in which they recommended a scale of dearness allowance which would work out at Rs. 45. Even this figure, he said, would not be enough under present conditions. If Government did not agree to give this they must at least agree to give refer the matter to arbitration. He expressed himself against the zonal basis for payment of dearness allowance. Mrs. Renuka Ray, strongly

supporting the motion, objected to the zonal system. Taking zone C. which comprised rural areas, she said that the conditions differed in different provinces in this zone. The lot of people in zone C. in Assam and Bengal was much harder than that of people in zone C. in other provinces. Syed Murtaza Sahab Bahadur called upon the Government to implement the Rau Committee's recommendations, ~~and~~ or otherwise, to appoint another Committee to inquire into the conditions.

Col. Wagstaff, Staff Member, Railway Board, explained that railwaymen were already getting Rs. 200 million by way of dearness allowance and grain shops. In consultation with the Railwaymen's Federation—which he said had been fruitful—the dearness allowance given first in 1940 had been ~~revised~~ revised five times already. Besides this, some 700 grain shops were being run which sold to railwaymen many necessaries which could not be got ~~at high prices~~ in the bazar or could only be got at high prices. He urged that this was not the time to revise scales of pay. That should wait till normal times returned. To meet the temporary and fluctuating difficulties of the present, relief was being provided in cash and in kind. Sir Edward Benthall pointed out that since railwaymen were Government servants their claims must be considered in relation to those of other Government servants and of Provincial Government servants. He added that a meeting of ~~the~~ Railway Board with the Railwaymen's Federation would take place shortly and that the question would then be considered in detail.

(The Hindustan Times, 23-2-1945).

V. Eight-hour Day for Railway Employees.- The Assembly on 24-2-1945 passed by 15 votes to 11 Mr. K.M. Joshi's cut motion on the question of hours of work ~~of~~ railway staff.

Mr. Joshi, moving the cut, said that most of the workers had to put in 12 to 14 hours a day. There were others like assistant station masters who had to do continuous night duty for years on end. He urged the Government to review the question and fix eight hours a day for all employees. ~~With~~ With the surplus finances of the railways the present was the best time to introduce reforms.

Prof. N.G. Ranga said that over-work was a contributory cause of accidents. There should be a restriction on the hours of work of all employees who were expected to do continuous work. There were enough skilled people available in the country to work on railways if only the Government reduced the hours of work. Finance should be no consideration, he said, because while the expenditure of the railways had gone up by 100 per cent their receipts had gone up by 300 per cent. Mr. Mahomed Nauman said that the hours of work of those railwaymen who had to do ~~strenuous~~ strenuous physical labour should be reduced and regulated. He knew of several instances where Muslim employees were refused leave even on I'd days. Mr. Frank Anthony dealt with the difficulties of the running staff. There was no prescribed limit to their hours of work, and often men were compelled to work 15 to 20 hours at a stretch. Men were penalized for minor offences and many were summarily dismissed. There was much overwork and under-rest which the Government should remedy. ~~Mr.~~ Sir Ziauddin Ahmed suggested that the Railway Board should appoint a special officer to investigate the question.

Col. Wagstaff, Member, ~~of the~~ Railway Board, said that the question had been examined with the Railwaymen's Federation. With the enormous increase in traffic, although a large number of men had been engaged, it had not been possible to avoid long hours and, in some cases, overwork. The difficulty was not confined to lower staff only but extended to all the ranks. In the case of the running staff, who worked partly on basic pay and partly on a time and mileage basis, there was undoubtedly difficulty. In the course of discussion with the Railwaymen's Federation, an undertaking had been given that the staff would be increased

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after the war. Certain proposals to give relief were now under the consideration of the Railway Board. Sir Edward Benthall explained that the difficulties had been brought about by war conditions but assured the House that the question was being constantly examined.

(The Hindustan Times, 24-2-1945).+

### Railway Budget.

#### F.I.C.C.I's Criticism.

The following are some of the more important issues raised by the Committee of the Federation of Indian Chambers of Commerce and Industry in a communiqué issued by it criticising the Railway Budget:

Manufacture of Locomotives in India not encouraged.- The policy of relying ~~on~~ on outside sources for obtaining a major part of India's requirements of locomotives and wagons and giving only a secondary place to ~~the~~ local industry would not provide sufficient impetus to ~~be~~ build up and expand an adequate locomotive and wagon manufacturing industry in the ~~country~~ country. The total rolling stock ordered for the use in India since 1942, has been 937 broad-gauge engines, 415 meter-gauge engines, 46,734 broad-gauge wagons, and 12,481 meter-gauge wagons. However, out of these ~~huge orders~~ huge orders, only ~~235 broad-gauge engines~~ 235 broad-gauge engines, ~~334 meter-gauge engines~~ 334 meter-gauge engines, 4,029 broad-gauge wagons, ~~1,111~~ and 8,790 meter-gauge wagons seem to have been delivered up to the middle of January, 1945, by the countries in which orders were placed. Despite the arrears in delivery, orders for increasingly greater number of locomotives and wagons have been placed outside India. These large purchases of wagons and locomotives are not merely for overdue replacement of rolling stock which has suffered heavy deterioration on account of its use for Allied military purposes, but ~~also~~ include advance replacement of some of the existing equipment. The financing of these ~~huge orders~~ huge orders, which will cost Rs. 937.5 million, has been arranged in such a way that, for all practical purposes, a portion of railway revenues up to 1946-47 has been earmarked in advance for this purpose. As against this, the programme for establishing and expanding the locomotive manufacturing industry in the country is only related to the replacement demand that will occur after the war.

The Committee believes that it would have been quite possible to give a higher priority for expanding local production of wagons and for establishing the locomotive industry in the country on a scale higher than contemplated under the budget proposals, ~~with a view to meet a major portion of India's immediate requirements of locomotives and wagons.~~

~~The~~ programme of purchase of rolling stock is primarily undertaken for meeting the anticipated military requirements in connection with the operations of the South-East Asia Command. In all fairness to the Indian tax-payer, this extra expenditure should be borne by His Majesty's Government and the United Nations. The damage due to ~~the ravaging effects of~~ war to the Indian railways and the abnormal cost ~~at~~ at which they will have to be rehabilitated after the war, cannot be treated as an exclusive liability of the Indian tax-payer. This liability should be allocated on an agreed basis between the United Nations.

Greater Taxation Relief to Industries.- Government has adopted the new principle that replacement cost of assets at the present abnormally high prices should partially be considered as working expenses. Indian



industries are facing the same problem, as the railways, of ~~replacing~~ replacing heavily worn-out machinery at three to five times the pre-war cost. ~~The~~ Government should, therefore, grant greater taxation relief in regard to depreciation and replacement, which the industries are in need of, by allowing them to treat a substantial portion of the replacement expenses as working expenditure.

Road Rail Co-ordination.- The policy of the railways themselves departmentally running road transport services, should be adopted only after consulting the business and industrial interests in the country. Further, if any scheme of guaranteeing fixed payments to private operators for running vehicles on behalf of the railways is adopted, the Government should give an assurance that the private operators in question must be Indians and in no event should foreign interests be allowed to acquire a hold on road transport services.

(The Hindustan Times, 18-2-1945).  
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Schemes approved by Standing Finance Committee: Labour Investigation Committee, Cost of Living Inquiry, Central Government's Servants' Accommodation, Reorganisation of Indian Statistical Institute.

Financial expenditure in connection with the Labour Investigation Committee's inquiry, the new Cost of Living Index Scheme, construction of office and residential accommodation for Central Government Servants in Calcutta and Bombay, development of tele-communications etc, were approved by the Standing Finance Committee at its meeting held at New Delhi on 2-2-1945.

Labour Investigation Committee's Inquiry.- The Committee ~~was~~ was informed that the Labour Investigation Committee set up in January, 1944 (vide page 67 of our report for Dec. 1943, and page 46 of our report for Feb. 1944), was expected to complete its investigations by July, 1945. Besides giving data relating to wages and earnings, employment, housing and social conditions of labour and, in particular, industrial labour in India, its report was expected to deal with such matters as (a) the risks which brought about insecurity, (b) the needs of labour of various classes to meet such risks, (c) the methods most suitable for meeting such risks, and (d) housing and factory conditions. The setting up of the organisation and the total expenditure thereon ~~are~~ aggregating to Rs. 537,459 were approved of.

Cost of Living Index Scheme.- The Cost of Living Index Number Scheme, entailing an expenditure of Rs. 170,600 in 1945-46 was also approved of. Explaining the scope and progress of the scheme, it was stated that it was initiated in 1943-44, on the recommendation of the Rau Court of Inquiry, to collect up-to-date Cost of Living Index figures in certain selected urban and rural centres in respect of labourers employed in industrial undertakings. It is expected that all the inquiries started under the scheme relating to family budget investigation would be completed in the course of 1945-46.

Accommodation in Calcutta and Bombay.- The proposal to construct residential and office accommodation for the Central Government servants at Calcutta and Bombay, at a non-recurring cost of ~~Rs. 3,552,300~~ Rs. 3,552,300 and Rs. 1,361,600 respectively, was approved, as also the proposal for the appointment of a town planning expert in the Central Government to plan suitable lay-out for New Delhi for the post-war period.

Reorganisation of Indian Statistical Institute.- A proposal arising out of the recommendations of the Economic Adviser to the Government of India was laid before the meeting to reorganise the Indian Statistical Institute, Calcutta, as a private body with a legal status, its scope of work continuing to remain as at present. The Headquarters of the Institute, it was stated, would be transferred to Delhi as soon as practicable, the Central Government being responsible for the efficient conduct of its affairs, its future development and its expenditure. The increased grant of Rs. 5,50,000 made to the Indian Research Fund Association for 1944-45 would be continued in 1945-46.

Development of Tele-Communications.- The proposal concerning the tele-communications development scheme, works under the railway tele-communications improvement scheme, works in respect of the telephone systems taken over from the licensed telephone companies and other departmental works relating to the capital works programme of the Posts and Air Department for 1945-46, were approved of. Under the tele-communications scheme, the total cost was estimated to be Rs. 162.4 million, of which Rs. 42.1 million had been spent in 1942-43 and 1943-44. It was expected that a sum of Rs. 55.7 million and Rs. 28.7 million would be spent in the current and next year respectively. On the main net-work of long-distance communications, good progress had been made with the work of installing carrier telegraph and telephone systems. The railway tele-communications improvement scheme provided for the erection of lines and wires and installation of telephone exchanges for the improvement of the communication facilities of major railways in India. This was ~~estimated to cost of~~ estimated to cost of Rs. 14.8 million during the current and the next year; Rs. 3.8 million and Rs. 4.3 million would be spent during the current and the next year, respectively, in improving the telephone systems acquired from companies.

Another proposal, which met with the Committee's approval, was to strengthen the educational staff of the Education, Health and Lands Department, for three years in the first instance, at a recurring cost of Rs. 2,48,000 in 1945-46, Rs. 273,000 in 1946-47 and Rs. 283,000 in 1947-48, to deal with certain aspects of the post-war education plan submitted by the Central Advisory Board of Education. The most important of them were the speedy development of facilities for technical education and the sending overseas at an early date of a large number of Indian students for technical training. Other proposals approved by the Committee related to provision of storage facilities for food grains; strengthening of the superior staff of the Geological Survey of India for taking up a more systematic and comprehensive mapping programme and a more detailed mineral survey of the country; launching of wider publicity ~~campaign~~ campaigns on Government's post-war plans; extension of grants to the woollen and sericultural industries; and continuation of the grant-in-aid to the hand-loom weaving industry.

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Banking Reform: Views of Indian Merchants  
Chamber, Bombay, on Banking Companies Bill,  
1944.

The view that the Government of India's proposed banking legislation falls short of the requirements of the situation in regard to the credit structure of the country is expressed by the Committee of the Indian Merchants' Chamber, Bombay, in the course of a memorandum to the Government of Bombay. The main points brought out in the memorandum are briefly noticed below:

The Committee points out that the Bill is confined only to the regulation of the structure and framework of joint stock banking and leaves out other types of credit institutions from its scope. After pleading for measures to integrate indigenous bankers into the credit structure of the country and emphasising the importance of agricultural credit, the Committee records its disapproval of the provision relating to the licensing of non-Indian banks. It feels that the exceptions made are not justified and that the provision should apply to all banks registered outside India, whether in the United Kingdom or elsewhere. While banks registered in the United Kingdom are sought to be treated in a privileged manner, banks registered in Indian States are treated as foreign institutions.

Another <sup>criticism</sup> ~~complaint~~ that the Committee has made is that the financing of foreign trade ~~will continue~~ to be concentrated in the hands of non-Indian banks. It is of the view that facilities should be available to Indian registered banks to do ~~taxes~~ that business and urges the Government to ~~take the necessary steps~~ in view of the fact that the Reserve Bank ~~of~~ has a branch in London and is empowered to rediscount bills of exchange and otherwise assist transactions relating to the financing of foreign trade. It further suggests that the Reserve Bank of India Act may be suitably amended in order to facilitate the rediscounting of commercial and industrial loans as eligible paper.

The memorandum suggests the inclusion of bullion and loans of Indian States among approved securities. As regards the employing of managing agents, it feels that discretion should be given to the board of direction and the period of contract of employment should be raised from five to seven years.

(The Times of India, 8-2-1945).+

The ~~Banking Companies Bill~~ Banking Companies Bill (L.A. Bill No. 26 of 1944) was introduced by the Government of India in the Central Legislative Assembly on 16-11-1944. The statement of object and reasons of the Bill says:

The Provisions of law relating to banking companies at present ~~with~~ a subsidiary portion of the general law applicable to companies and are contained in Part XA of the Indian Companies Act 1913. These provisions, which were first introduced in 1936 and which have undergone two subsequent modifications, have proved inadequate and difficult to administer. Moreover while the primary objective of Companies Law is to safeguard the interest of the stock-holder, that of banking legislation should be the protection of the interests of the depositor. It has therefore been felt for some time that separate legislation was necessary for the regulation of banking in India. This need has become the more insistent ~~now~~ on account of the considerable development that has taken place in recent years in banking, especially the rapid growth of banking resources and of the number of banks and branches. †

The main <sup>features</sup> factors of the Bill are: (i) A simple definition of banking with the object of limiting the scope of the legislation to institutions in which the funds are deposited primarily to ensure their safety and ready withdrawability; (ii) Prescription of minimum capital standards; (iii) Prohibition of trading with a view to eliminating non-banking risks; (iv) Inclusion in the scope of the legislation of banks incorporated or registered outside British India; (v) Provision of an expeditious procedure for liquidation; (vi) Inspection of the books and accounts of a bank by the Reserve Bank ~~at~~ when necessary; (vii) Empowering the Central Government to take action against banks conducting their affairs in a manner detrimental to the interests of the depositors; and (viii) Prescription of a special form of balance sheet and conferring of powers on the Reserve Bank to call for periodical returns.

(The text of the Bill is given at pages 93-106 of the Gazette of India, Part V, dated 18-11-1944.) +

~~State~~

India (Estate Duty) Bill passed by  
British Parliament.

The India (Estate Duty) Bill, to which reference was made at page 13 of our report for January, 1945, has been passed by both Houses of the British Parliament, and is now awaiting the Royal assent.

(The Times of India, 22-2-1945). +

Development Plans for Indian Sugar Industry:  
Discussions at Meeting of Indian Central  
Sugar Cane Committee.

A planning sub-committee to consider and ~~make~~ recommendations on the part which sugarcane production should play in the future economy both of the country as a whole and of the various sugar-cane growing provinces and States, has been appointed by the recently constituted Indian Central Sugar-cane Committee which held its second meeting recently at Delhi under the chairmanship of its President, Mr. H.R. Stewart, Vice-Chairman of the Imperial Council of Agricultural Research. The Sub-Committee will submit its report at the next meeting of the Indian Central Sugar-cane Committee.

Cess for Development work.- Several matters which have an important bearing on the future of the sugar-cane and sugar industry were discussed at the meeting. The levy of a cess on sugar-cane supplied to factories in provinces and States, where such a cess did not exist already, was strongly recommended by the Committee. Its full proceeds will be utilised for the improvement and development of cane and other connected purposes, including the improvement of roads leading to sugar factories.

It was also resolved that the cane-growing Indian States should be asked to contribute to the funds of the Indian Central Sugarcane Committee

which derived its finances at present entirely from the excise on sugar manufactured in British India.

Sugar Technology Institute.- A technical Sub-Committee was set up to examine the present programme of work at the Imperial Institute of Sugar Technology, Cawnpore, which is being placed under the Committee, and to make recommendations to the next meeting in regard to the lines along which the Institute could best serve the needs of the sugar manufacturing industry.

Another decision of the Committee of considerable importance for the future was that of financing a small expedition to collect all the wild forms of sacchaum spontaneum in Northern India. The discovery that cultivated cane could be crossed with this wild grass, and the subsequent production from the cross of the 'Coimbatore varieties', had revolutionised the sugarcane growing and the sugar-manufacturing industry in India in the last quarter of a ~~century~~ century. The potentialities of the fresh material which this expedition would provide, would be determined at the Central Sugarcane Breeding Station at Coimbatore.

(The Hindu, dated 20-2-1945). \* †

SOCIAL INSURANCE.

Bonus for Deceased Worker: Survivors' Claim  
upheld by Bombay High Court.

An interesting question under the Workmen's Compensation Act regarding the payment of bonus in addition to compensation to the legal representative of a deceased workman was decided by the Bombay High Court recently in an appeal filed by Bai Fate against the Commercial Ahmedabad Mills, Ltd.

Vaghji Bhimaji, an employee of the respondent mills, died of an accident in the course of his employment on ~~the~~ October 30, 1941. The appellant, who was his mother, claimed compensation. There was no dispute that, on the basis of the wages of the deceased, the appellant was entitled to Rs. 1,050. When the compensation proceedings were pending before the Commissioner for Workmen's Compensation, a dispute between the Textile Labour Association, Ahmedabad, and the Ahmedabad Millowners' Association was settled, whereby the latter agreed to grant a bonus to "employees employed in member mills whether at present in employment or not—for the months from January to December, 1941". The appellant claimed that under the terms of the settlement and the award made thereon, the deceased had become entitled to receive bonus as from January 1941 and that she was entitled to the same.

The Commissioner was of opinion that as the deceased had died before ~~the award was made the bonus could not be held to be due for payment.~~ The High Court has held that the "bonus" formed part of the wages of the deceased person and that as it was made payable from January, 1941, the appellant was entitled to the same as part of the compensation for the death of the deceased.

(The Times of India, 18-1-1945).+

AGRICULTURE.

Large Mechanised Farms to be started by  
Government of Bengal.

With a view to popularising mechanised and collective agriculture in the Province, the Government of Bengal has decided to start 10 big farms and orders have already been placed for 50 tractors for these farms. A breeding farm has been started by the Government at Kanchrapara, near Calcutta, under the supervision of experts from New Zealand.

(Amrita Bazar Patrika, 4-2-1945).+

Compulsory Consolidation of Land Holdings:  
Punjab Government to introduce a Bill.

To rationalise the ownership of land to the best economic advantage, the Punjab Government, it is understood, is bringing forth in the Provincial Assembly a bill of far-reaching economic significance for consolidating land holdings. The Bill seeks to reduce the minimum percentage of ~~landholding~~ land-holders and the land held by them required for an application on which the entire land and the village may be consolidated. Further, the Bill makes it compulsory that on such an application the consolidation shall take place. This legislative measure is regarded as essential for the rapidly increasing population. Hence the need for compulsory consolidation.

(The Hindu, dated 19-2-1945).+

Improvement of Agricultural Methods and  
Nutrition: Working of Imperial Council  
of Agricultural Research in 1943-44.

The following information about the work of the Imperial Council of Agricultural Research during 1943-44 is taken from a review of the annual administration report of the Council for the period.

Various schemes for improving the economic and the nutritional conditions of villagers were carried out by the Imperial Council of Agricultural Research during the year. Schemes, for this purpose, were started in some villages in Bombay, the United Provinces, the Central Provinces and Berar, and Travancore during the year. Each village was placed in charge of an agricultural assistant. The improvement of nutritional conditions of the villagers was later included in the scope of work and it was decided that the agricultural assistant should receive intensive training in nutrition for about six weeks at the Nutritional Research Laboratories, Coonoor. Other features of the schemes were to

*Efforts were made to*

help agriculturists to increase acreage yields and production by the adoption of improved methods and to develop marketing in the villages. The progress of the schemes was recently reviewed by the Development Research Committee of the Council.

Mixed Farming.- Another feature of the year under review was the successful experiment in mixed farming in the United Provinces, Central Provinces and Berar, the N.W.F.P., and Sind. The results indicated an increase in income in cash and food crops in the mixed farming units as compared with the control units. The Development Research Committee which examined the working of the schemes emphasized that the experiment should provide two sets of data: (i) the average yield per acre for each of the principal crops under trial, year by year, both in the mixed farming and in the control units and (ii) the actual cash value of the total production year by year in the control units and in the mixed farming units.

Study of the various methods of dry farming for the conservation of soil moisture and for its best and fullest utilization for successful cultivation continued in Sind. The introduction of trees to provide shade and fodder for cattle was also included in the investigation.

Improved Methods for Compilation of Statistics.- A special grant of Rs. 1,07,000 was given by the Government of India during the year for the improvement of agricultural statistics. The Council initiated two schemes; one for conducting an inquiry into the existing system of preparing agricultural statistics and crop forecasts in the Punjab and the C.P. and Berar and suggesting improvements; the second for conducting crop cutting experiments on the 1943-44 wheat crop in the United Provinces and the Punjab.

New Varieties of Paddy and Wheat.- A new achievement of the year under review was the solution of the wild rice problem in the Central Provinces ~~and Berar~~ by the production of purple leaf varieties of commercial rice, which can be easily distinguished from wild rice. These would enable farmers to 'rouge' out wild rice plants and thus save about ~~Rs.~~ Rs. 6,500,000 a year. In Assam, improved strains of paddy are being distributed to cultivators and double transplanting has been introduced, leading to a large increase in the yield of rice.

While hybridization work to develop rust resistant varieties of wheat is being continued, an exceptionally good variety of wheat known as Niphad-4, has been developed in Bombay, which has proved so far the best milling and baking quality wheat in India. Research work to combat diseases and pests of various pulses and oilseeds continued and attempts were made to develop disease-resistant, high-yielding types.

Production of Manure from Waste.- The Council received a grant of Rs. 2,25,000 for the rapid introduction of the "Bangalore" process of converting town refuse into manure in all the important municipalities of the country. According to the programme 14 officers from provinces and States were trained at the Indian Institute of Science. Schemes for ~~dry~~ dry farming developmental research were sanctioned for Madras and Hyderabad. The Council undertook a countrywide survey of sugarcane and suggested an all-India committee to deal with all aspects of sugarcane and its products.

Live stock improvement.- The Council investigated the possibilities of utilizing and assisting the existing "gowshalas" and pinjrapoles for an increased supply of milk and for salvaging city cows. To conserve the cattle wealth of the country, the Advisory Board of the Council recommended measures prohibiting indiscriminate slaughter of animals and undertook schemes to improve village livestock. At a number of provincial and State livestock breeding farms work has been in progress to evolve better breeds of sheep.



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✓ Central Fruit Research Institute to be  
opened in N.W.F. Province.

It is ~~ask~~ learnt that the Central Government is considering a scheme for opening an All-India Central Fruit Research Institute in the North Western Frontier province in view of the special fruit growing potentialities of the province.

(The Vanguard, dated 27-2-1945)..

✓ Sub-Committee to draw up Plan for Central  
Land Utilization Board set up by Government  
of India.

The Government of India has established a sub-committee to work out further details in respect of the setting up of a Central Land Utilization Board, which was recommended by the Policy Committee on Agriculture, Forestry and Fisheries at its meeting held in June, 1944. The proposed Board will plan and the co-ordinate ~~the~~ work on an all-India basis in respect of soil erosion, forestry, land reclamation, irrigation works, and other forms of land improvement. Sir N. Gopaldaswami Ayyangar is the Chairman of the Committee and Mr. S.Y. Krishnaswami, I.C.S., its secretary.

(The Hindustan Times, 26-2-1945)..

Agricultural Price Sub-Committee set up by  
Government of India.

In accordance with the recommendation made by the Policy Committee on Agriculture, Forestry and Fisheries in June, 1944, the Government of India has set up a Sub-Committee under the chairmanship of Sir V.T. Krishnamachari and consisting, among others, of Mr. Hossain Imam, Dr. L.C. Jain, Sir Pheroze Kharegat, Sir Theodore Gregory, and Dr. V.K.R.V. Rao. Mr. W.R. Natu, Statistical Adviser to the Government of India, will act as Secretary.

The terms of reference of the Sub-Committee are:-

To consider (a) The principles, on which producers' prices of ~~the~~ agricultural produce, whether crops grown for industrial purposes or for food, or the produce of animal husbandry of ~~the~~ all descriptions, should be fixed; (b) The means by which such prices can be made effective and an assured market be provided, and to make recommendations.

The Sub-Committee will report on its terms of reference in relation to conditions in the post-war period (1) in which, a substantial measure of Government control over the procurement, distribution and prices of commodities exists, and (2) in which such control has been relaxed or abolished, and normal trade and market conditions have been restored.

(The Bombay Chronicle, 28-2-1945)..

NAVIGATION.New R.I.N. Training Establishment opened  
in Bombay.

'H.M.I.S. Shiva ji', a new Royal Indian Navy training establishment, was opened at Lonavala by the Governor of Bombay on 15-2-1945. It will train officers and men of the Royal Indian Navy in marine engineering and other subjects. These officers and men will look after the engine-rooms, machinery and apparatus in India's warships at sea. Workshops and classrooms are constructed in accordance with the latest ideas on the planning of technical training establishments. The training which is given at this establishment of the Royal Indian Navy is of importance from a civilian point of view as well. If, after their first 12 years in the Service, any of the boys trained here wish to leave it and seek civilian employment, they will, after the training which they have had, be recruits to industry of a very high standard in engineering craftsmanship.

(The Times of India, 17-2-1945).

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PROFESSIONAL WORKERS, SALARIED EMPLOYEES  
AND PUBLIC SERVANTS.

Salaries of Madras Government Servants to be raised:  
Enquiry Committee's findings. \*

It is learnt that the Government Servant's Salaries Enquiry Committee set up by the Government of Madras in October, 1944 (vide page 30 of our report for October, 1944) have concluded their investigations and that their report will be submitted to the Government shortly. The enquiry was ordered with a view to ascertaining the adequacy or otherwise of the existing basic scales of pay for the various Government servants under the Provincial Government's rule making powers, with reference to the conditions which are likely to exist for some time after the war, and to framing revised basic scales of pay. Some of the more important findings of the Committee are noticed below:

The Committee found that the existing scales of pay were inadequate, having regard to the enormous increase in the cost of living and that they called for revision as early as possible. In their view, the cost of living index number 160 should be taken as the basis for fixing the basic scales of pay. But in actual working out the scales were not enhanced in all cases in accordance with this figure, as it was feared that too heavy an expenditure would be entailed.

Scales of Subordinate Services.— The Committee decided, that with regard to subordinate services, irrespective of the dearness allowance now granted, an increase of 35 <sup>7</sup>/<sub>8</sub> per cent on the average salary of Rs. 15 and below should be given; that where the average salary was above Rs. 15 but did not exceed Rs. 50, the increase should be 25 per cent; and that in the case of average salaries above Rs. 50, but not exceeding Rs. 200, the increase should be 20 per cent. With regard to low-paid employees in the Subordinate Services, such as peons and lower division clerks, the increase should be not less than Rs. 4 per mensem. Others should be put on the next higher stage in the revised scale. The following are some of the scales recommended: Peons Rs. 14-24; Lower division clerks Rs. 40-70; Upper division clerks Rs. 65-85 and Rs. 85-120; Secretariat Upper division clerks Rs. 70-180 and Rs. 85-210. In the case of Secretariat Superintendents, only the initial pay of class B is raised from Rs. 175 to 190; the scale for class A is left unrevised. It is estimated that the revised scales of subordinate and provincial services, as finally recommended by the Committee, would result in an additional expenditure of Rs. 11.6 million per annum.

Scales of Gazetted Officers.— In considering the scales of gazetted officers, the Committee resolved that no officer in the Provincial Service should be started on a pay less than Rs. 200 and given a maximum below Rs. 700. Applying this principle, it is understood the salaries of several gazetted officers in most of the departments were revised so as to fit in with the minimum and maximum.

Education and Medical Services.— In the case of the Education Department and the Subordinate Services of the Medical Department, the Committee recommended a more liberal scale than that implied by the percentage increase. For instance, the pay of female nurses is sought to be raised from Rs. 65-120 to Rs. 150-250. The salary scale of higher grade elementary teachers is to be raised from Rs. 23-45 to Rs. 35-60. The increase in the case of secondary grade teachers is from Rs. 30-55 to Rs. 50-75. The Committee was of view that the existing disparity between the scales of

pay of ~~between the~~ men and women employees of the Government should be abolished.

It is not likely that the Committee's proposals will be given effect to in the ~~ensuing~~ ensuing Budget as they would require to be examined by the Finance Department and the Government. They also require, the prior approval of the Central Government. The Adviser to the Governor in charge of Finance being the Chairman of the Committee and the Committee's recommendations being unanimous, it is believed that there is every likelihood of the proposals materialising in essential particulars before long.

(The Hindu, dated 11-2-1945).+ +

CO-OPERATION AND COTTAGE INDUSTRIES

Development of Cooperative Movement: Committee  
Set up by Government of India.

The Government of India has set up a Committee to draw up a plan for the future development of the co-operative movement. The 14th Conference of the Registrars of Co-operative Societies held in Bombay, suggested that the co-operative development movement should be properly planned ~~as to~~ ~~as to~~ form an integral part of the plans formulated for the economic development of the country. The Conference had recommended the appointment of a committee to draw up such a plan. The Committee, which has now been set up, will also include in its scope of work questions relating to the resettlement of demobilized soldiers.

Mr. R.G. Saraiya will be the Chairman and Mr. Sher Jang Khan, Officer-in-charge, Agricultural Credit Section, Reserve Bank of India, Bombay, will be Secretary of the Committee.

(The vanguard, 27-2-1945).+ +

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(The Vanguard, 27-2-1945). + +

Nutrition.

Shark Liver Oil for School Children: Bombay  
Government's Experiment.

As an experiment in giving concentrated protective foods to school children, the Bombay Government has sanctioned ~~an~~ a scheme for the supply of shark liver oil to children in primary schools in dispensary towns in East Khandesh district. Two doses of shark liver oil will be administered each week to about 26,000 children by the Dispensary Medical Officers. The scheme has been sanctioned for six months, in the first instance, at a cost of Rs. 500 a month.

(The Times of India, 15-2-1945). + +

Housing.

Rs. 700 Million Housing Plan for Calcutta.

A Rs. 700 million plan for housing 100,000 slum dwellers and poor middle class people in Calcutta has been submitted to the Government of Bengal by the Chief Executive Officer, Mr. S.P. Chatterjee. The scheme has been ~~pre~~ prepared at the suggestion of a conference which was convened by Mr. R.G. Casey, Governor of Bengal, in January 1945, to discuss Calcutta's housing problems.

Amenities such as playgrounds, schools, libraries, shops, public baths, filtered and unfiltered water supply and lighting have been provided in the project. Mr. Chatterjee suggests that the Government should advance two-thirds of the whole capital cost, free of interest, to be recovered in 60 years by equal annual instalments. The balance should be raised by guaranteed bonds at three per cent or advanced by building societies. The constitution of an independent authority and the immediate adoption of legislation on lines of similar schemes in Europe and America are suggested for the purpose of starting preliminary survey work.

(The Dawn, 15-2-1945).

Better Housing for Working Classes:  
Improvement Trusts to be Set up in  
9 Punjab Towns.

Slum clearance and re-housing of the poor and labouring classes, including scavengers, are to be undertaken by the Town Improvement Trusts to be created within a few weeks in nine Punjab towns. These are Amritsar, Kasur, Ludhiana, Jullundur, Sialkot, Jhang, Lyallpur, Multan and Rawalpindi. The Trusts will get two per cent of the municipal revenues for constructing tenements for the working classes. Income from the Trusts' buildings rented to well-to-do classes will also be utilised for the re-housing of the poor and menial classes who will be charged only a nominal rent. Wherever necessary, the Government will advance loans to the Trusts to enable them to execute their plans.

(The Dawn, 9-2-1945).

ORGANISATION, CONGRESSES, ETC.

Employers' Organisations.

12th Annual Session of All India Organisation  
of Industrial Employers, Bombay, 25-1-1945.

The 12th annual session of the All India Organisation of Industrial Employers was held at Bombay on 25-1-1945, Sir Rahimtoola M. Chinoy presiding.

In his presidential address, Sir Rahimtoola said that post-war planning, as envisaged in India, would require a degree of Government regulation and control. It was, however, understood that whatever might be the degree of Government control or ownership and management of industries in the country, the Government should be a fully National one; no other Government could be safely entrusted with such extraordinary powers. The need for such a Government was all the greater during the transition ~~per~~ period, because it would entail sacrifices which a National Government alone could call upon the people to bear.

Referring to the switching over of war-time economy to peace-time needs, Sir Rahimtoola said that India had to increase her exports in order to be able to increase her imports of capital and essential goods. During the war, India had supplied the needs of neighbouring countries, particularly of the Middle East and Africa. After the war, a greater opportunity would be available for increasing her export trade. He therefore urged that Indian manufacturers and exporters should form export associations, the functions of which would be to study the requirements of ~~their~~ their customers and to see that the standard and quality of their goods — whether raw materials or manufactured goods — ~~were well~~ <sup>could be</sup> provided with able and energetic trade commissioners ~~who should be~~ drawn preferably from among businessmen; India had suffered for want of adequate facilities, and particularly for want of able personnel in her trade commissioners' organizations.

In regard to taxation, Sir Rahimtoola urged that the present level of taxation needed revision, particularly in respect of granting larger allowances for depreciation and replacement funds. The financing of post-war plans would need huge funds, but those funds need not be provided from taxation only. The existing taxation system should be rationalised and made more elastic so as to be more helpful in the economic expansion of the country.

Referring to the proposal to hold an Asiatic Labour Conference, he expressed ~~his~~ hope that such a conference would lay down standards of labour welfare and social security appropriate to the development of the country.

(The Hindustan Times, 27-1-1945).



Workers' organisations.

Progress of Trade Unionism in Madras Presidency  
in 1943-44.

The report on the working of the Trade Unions Act during 1943-44 in Madras Presidency 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 143 Trade Unions on the register. During the year, 37 unions were registered while the registration of 58 unions was cancelled. The total number of Trade Unions registered since the commencement of the Trade Union Act upto 31-3-1944 was 248, of which 122 were actually on the register at the end of the year. The number of members in the registered Trade Unions at the end of the year was 1,20,879 as against 92,915 at the beginning of the year showing an increase of 30 per cent. Model rules for the constitution of Trade Unions have been framed and copies are supplied to unions seeking registration under the Act with instructions to adopt them with suitable modifications.

(The Hindu, dated 31-1-1945).

Better Wages and Bonus and Ten-hour Day  
demanded: 1st Madras Provincial Hotel  
Employees Conference, Trichinopoly,  
14-2-1945.

Resolutions demanding, among other improvements, higher wages, reduced hours of work and security of tenure, for hotel employees were adopted at the 1st Session of the newly-formed Madras Provincial Hotel Employees' Conference held at Trichinopoly on 14-2-1945. Mr. V.V. Giri opened the Session.

In the course of his presidential address, Mr. M. Radhakrishna Pillai, Mayor of Madras, said that it was praiseworthy that hotel employees had come together and organised themselves. It was common knowledge that hotels were a thriving business; and the number of hotel employees had increased greatly. The wages of these employees were below subsistence level in these days of high cost of living. They could hardly lay by anything for the future, and there was little security of tenure. A Provident Fund system had to be introduced along with provisions for compulsory insurance, so that the employees might not desire to change their masters as frequently as they were doing at present. Hotel employees should be enabled to have good meals at regular hours. If double shift was introduced, it would help them to turn out better work, by taking sufficient rest and having regular meals.

The Conference formulated the following points as the demands of hotel employees: ten hours' work in a day, with a rest-interval of one hour, decent pay and dearness allowance, grant of bonus on important

EDUCATION.

Reforming University Education: British Educationists touring India.

Following upon the visit of Professor A.V. Hill in 1944, the Government of India has invited two other eminent British educationists, this time on the Arts side, to visit India on a short tour. These educationists, Sir Walter Moberly and Sir Cyril Norwood arrived in this country in the first half of February 1945. During February and March, they will visit certain provincial capitals and the Indian Universities. It is understood that they will report to Government on educational reform generally, and on university ~~xxxx~~ organisation and conduct of examinations in particular.

(Dawn, dated 15-2-1945).+ +

Social Policy in War Time

Welfare.

Cooperative Workers' Bank and Compulsory Savings Scheme: New Projects of Ahmedabad Textile Labour Association.

For consolidating the position of textile labour in the city, the Ahmedabad Textile Labour Association has launched a drive for 100 per cent membership; at present the membership stands at 65,000 out of a total of about 130,000 textile workers in the city. Among the new measures taken by the Labour Association for the amelioration of the condition of workers is the opening of a co-operative bank in which they are asked to deposit their savings. A scheme of compulsory savings proposed by the Association was rejected by the Millowners' Association, but the Labour Association has approached the Government for its sanction.

(The Times of India, 13-2-1945).+ +

festivals and security of tenure.

A Working Committee of the Conference was elected with Mr. F.G. Natesa Aiyar as President, and Mr. N. Pannan, as General Secretary and Treasurer.

(The Hindu, dated 15-2-1945).+ +

Food.

5th All India Food Conference, New Delhi,  
29-1-1945 to 2-2-1945.

Various resolutions on the measures to be taken by the Government of India in regard to the production, procurement and distribution of food in India were adopted at the 5th Session of the All India Food Conference held at New Delhi from 29-1-1945 to 2-2-1945. Mr. A. Dibdin, Secretary, Economic and Overseas Department of the India Office, attended the Session at the invitation of the Government of India.

Food Member's Address.- Sir J.P. Srivastava, Food Member, Government of India, opening the Conference said that the task before the Conference was to survey the policy for the future, remove defects, consolidate the ground already gained and make further advances for the better feeding of the people. Since the last Food Conference in October, 1943, considerable progress had been made in procurement of supplies and their distribution in deficit areas, in the control of prices, and in the extension of rationing. This had been achieved by the steadfastness and co-operation of the food administrations in the provinces and States and at the Centre in carrying out the co-ordinated all-India policy adopted at the last conference. ~~There had been many difficulties to overcome, and not the least, difficulties of providing the necessary personnel for the huge administrative task involved, difficulties of movement unavoidable in the circumstances arising from the war, and difficulties of psychology in a country which was passing through a period of unprecedented strain and anxiety. These difficulties had been faced with courage and determination, though many of them remained and would continue to remain so long as the strain of the war continued. Nevertheless, confidence in the ability of Government to forestall shortages, to maintain supplies, and to control the prices of the basic cereals had largely been restored, and this confidence was justified by the stocks which the Governments had been able to build up and by the distribution machinery they had established.~~

With problems of procurement and storage was linked the question of proper inspection arrangements. The Government of India had already established a Storage Directorate in the Department of Food and the establishment of a parallel Directorate of Inspection was under consideration. So far as the provinces and States were concerned, the function of these Directorates would in the main be advisory, but they might also prove of practical service in ascertaining their needs and helping the Government of India to give them the assistance ~~xxx~~ which they required in the preparation of designs, in securing adequate priorities for the materials which they needed for the construction of store houses, and in providing any technical advice which they might need in the adoption of measures to prevent damage by climate or by insect and rodent pests. The Directorate of Inspection would also assist them in the establishment and training of Inspectorate Staff and in the setting up and co-ordination of standard qualities of different grains all over India.

Sir Jogendra Singh's Address.- Sir Jogendra Singh, Member for Education, Health and Lands, Government of India, in his address dealt mainly with the 'grow more food' campaign, and other production drives taken up in the various parts of the country. He ~~xxxx~~ declared that the campaign had met with considerable success. Surplus supplies were seeking markets and the growers had replenished their stock and some of the

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provinces had a fair ~~xxxxxxxxxxxx~~ quantity of grain waiting to be transported. Bengal was no longer crying out for supplies. There was ample evidence that the food situation had improved. It could not have improved without increased production. As regards the future, it could be hoped that with favourable weather conditions there would be a sufficiency of food, provided the surplus was carefully stored and the stocks were either built up by the provinces and States, or carried by trade as in normal times. The inter-provincial interchange of surplus produce deserved serious consideration.

The immediate problem is to make available an increased supply of protective foods, such as milk, butter, ghee, oil fats, eggs, fish, poultry and meat. The increases required in most of these articles for feeding the existing population on the scale recommended by the nutrition experts have been worked out and are known to the provinces and States. Arrangements for increased production of these can no longer be delayed if the people are to be properly fed with nutritive food. A beginning in this direction, so far as food grains are concerned, has already been made with the ~~xxxx~~ 'grow more food' campaign. For instance, compared with the pre-war average of the three years ending with 1939 the area under grain crops increased in 1943-44 by over 11 million acres, giving an additional yield of about 4 million tons of food grains. The acreage under cotton declined by ~~the~~ over 4 million acres, mostly in Bombay and in the Central Provinces. The remaining increase in acreage was brought about by bringing under cultivation marginal and fallow lands. In the 1943-44 season the acreage under rice in Bengal increased considerably, and as the weather conditions were favourable, an increased yield of 2 million tons of rice above the normal was estimated. The figures of all the crops for 1944-45 are not yet available as the results of harvesting of millets, pulses, oil seeds are still awaited, but the second forecast of the acreage under cotton shows a reduction from 14.7 to 13 million acres and the target of 80 million acres of rice has been exceeded.

Various forms of assistance have been offered by the Government of India to the provinces for the success of the campaign. For instance, Government has assisted by grants and loans the sinking of over 2,500 tube-wells at an estimated cost of Rs. 45 million and nearly 17,000 masonry wells at a cost of nearly Rs. 20 million. It has also provided finance for the procurement and purchase of good seed to the tune of Rs. 15 million as loans and another Rs. 5 million as grants. It has directed attention to the conservation of manure and emphasized the need of creating village forests to provide fuel to save farm yard manure which would considerably increase production. It has taken steps to train biochemists to convert town refuse into manure and secure 65,000 tons of ammonium sulphate, and allotted 30,000 tons of this to the rice areas. This will be sufficient to manure 450,000 acres which may add an additional million ~~mands~~ to the yield. Government is taking steps for the crushing of ~~oil~~ oil seeds so that oil fats for men and oil cake to feed the livestock and the soil may be available. It has given Rs. 5.3 million as loans and Rs. 2.7 million as grants to subsidize the supply of oil cake and other manures.

151 ~~xxxxxx~~ indents for tractors were placed by the Government of India in the United States of America in 1944, but so far only nine out of the 22 released have been shipped. Government is pressing for 1,200 tractors in the current year and also for dairy machinery, pasteurizing plant and marine engines to equip boats for the transport of fish.

Among the more important subjects discussed at the Conference were: Government's policy for the procurement of food-grains with special reference to the Butler Report; the 'grow more food' campaign and fixation of targets for increased acreage; problems relating to the

control and distribution of fuel and nutritive foods like fish, poultry, eggs, vegetables, milk and dairy products; and rationing problems with special reference to uniformity of rationing scales, distribution of milk through rationing organisations, feeding of school children, etc.

Resolutions.- The main resolutions adopted by the Conference were:

Increased Production of Nutritive Foods.- All Governments should furnish by May 31, 1945, to the Government of India, and to Command Co-ordination Committees, in respect of eggs, poultry, fish, milch cattle, milk and milk products, goats, sheep, livestock, potatoes, seed potatoes, fresh vegetables, fresh fruit, cooking oil and oil seeds, oil cake, fuel (wood and charcoal), estimates of local production, target for increased local production attainable in 12 months, local requirements, import requirements, normal sources of supply, export surpluses, normal export markets and prices at main consuming and producing centres. They should specify their requirements, the lack of which affects the production and distribution of the commodities referred to, and should examine the possibility of forming organized bodies of producers, traders and co-operative societies, with a view to employing them as agents for planned and controlled procurement and distribution. The Government of India on receipt of the information, will examine how best it can afford assistance to Governments to increase production, ensure supplies and control distribution of any of these commodities.

Special attention should be paid to increasing the production of protective foods such as vegetables and fruits, milk, eggs and fish and for this purpose provinces and States should consider the desirability of: Encouraging the growing of vegetables in school gardens and villages for local consumption; Appointing a milk development officer in order to increase milk production in each province and major State and taking steps to produce and provide adequate fodder and concentrates; Setting up (a) large dairy farms or encouraging their establishment by private individuals or organizations in suitable areas by the grant of land and subsidies, (b) making proper arrangements for the salvage of dry city cows, and (c) regulating inter-provincial movements of cattle; Setting up poultry farms at suitable centres; Encouraging (a) fish culture, (b) stocking of tanks with fingerlings, (c) supplying the requirements of fishermen in respect of fishing tackle and (d) providing trawlers, launches, ice and cold storage facilities for developing the deep sea fishing.

Principles of Rationing.- The following principles in regard to rationing were agreed upon by the Conference: (i) Full urban rationing should be introduced and extended in accordance with the recommendation of the Food Grains Policy Committee. (ii) Until all deficit areas can be ensured sufficient supplies to enable them to sustain a basic ration of 1 lb. of cereals per adult per day the size of the basic ration in any area should not exceed that quantity. (iii) ~~Extra~~ Extra provision should be made for heavy manual workers by means of a supplementary ration and in the form of cooked foods through industrial canteens. (iv) In all rationing schemes the definition of a child should be from the date of birth to the age of eight.

The Conference recommended all Governments ~~should~~ should undertake an examination of diets in their areas, to determine in what respect they are defective and how the defect can best be removed. The introduction and popularization of foodstuffs which should be added to the diet, or must be substituted for those in short supply, require persistent publicity and active encouragement. Large employers of labour should be given every encouragement by Governments to provide canteens for the supply of wholesome cooked food to their labour.

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**'Grow More Food' Campaign.**- The campaign for growing more food should be continued with undiminished vigour in all areas, both surplus and deficit. Steps should be taken to ensure a market for food grains at fair prices wherever this is necessary to safeguard the interests of the cultivator and ensure the success of the 'grow more food' campaign. This may be done ~~in~~ by the establishment of an adequate number of purchasing centres for the buying of the food grains offered at such centres at the prices fixed or otherwise.

The production of groundnuts in lieu of non-food crops should be encouraged in suitable areas; inter-provincial movements of vegetable oils should be regulated by quotas; and exports from India should as far as possible be in the form of oil rather than that of oil seeds, and for this purpose additional crushing plant should be set up for crushing the whole of the oil seeds produced ~~in~~ or near the producing areas.

**Fertilizer Control.**- Each province and major State should consider the desirability of appointing a fertilizer controller to conserve and promote its manurial resources by encouraging composting, extending the practice of green manuring, utilization of bones and arranging for the equitable distribution at controlled prices of fertilizers, of town waste and oil-cakes produced in the area concerned, bearing in mind the needs of cattle for concentrates. Inter-provincial movements should be regulated by quotas.

**Supply of Machinery and Materials.**- Facilities should be provided by the Central Government where necessary for the supply of: building materials for seed and manure deposits; iron and steel for agricultural implements, tractors and connected machinery; pumps and other machinery required for minor and emergency irrigation, drainage and bunding works; diesel oil, petrol, etc., needed for working such machinery, ~~and~~ rice mills, cold stores; and the transport needed for seed, manures, etc.

**Supply of Seeds, Manure, etc.**- ~~The programme of facilities to be provided in the shape of seeds, manures, depots for seeds, manures and implements, irrigation works, drainage works, etc., to complete the programme~~ ~~as~~ programme should be worked out by the Governments concerned, and schemes prepared to try and provide the same in so far as local resources, as supplemented by the Centre, permit.

**Transport of Food Grains.**- (1) The movement of food grains ought to proceed smoothly throughout the year as far as possible. To this end of the Central Government should undertake, in respect of grains subject to the Basic Plan, to plan a constant movement throughout the year, so that the transport authorities may programme a regular supply of wagons. Provincial and State Governments, for their part should undertake, to the best of their ability, in the case of surplus areas, to see that procurement keeps pace with the transport available and to provide storage for the balance; and in the case of receiving areas to send dispatch instructions and make arrangements for inspection, so that the programme can be punctually observed. (2) In the case of other food grains the Central Government should undertake: (a) To prepare a similar movement programme, with the same priorities as for food grains in (1) above, to supply the deficit areas from the surplus areas; (b) To co-ordinate the disposal of all other surpluses by means of authorized and assisted trade movements.

**Monopoly Procurement.**- The results so far obtained in the working of monopoly procurement systems justify their further study, and their development so far as the circumstances of each province and State permit. Where monopoly procurement is in operation in respect of any particular grain, Government should, in the interest of producers, accept all such grains as are offered, subject to considerations of quality. Acceptance

should be at notified centres, and at prices fixed in accordance with the all-India policy. The development of monopoly procurement should be in the direction of the acquisition by Government of grain offered for sale voluntarily. Nevertheless, in those areas where it is deemed advisable, monopoly procurement may be extended by: (i) a compulsory levy and the acquisition, in addition, of any balance that any producer ~~may~~ may desire to sell, or (ii) assessment of the surpluses of individual producers and the compulsory acquisition of such surpluses.

(The Statesman, 30 and 31-1-1945 and  
1-2-1945; and the Hindustan Times,  
2 and 3-2-1945 ).r

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War Transport.

Encouragement of Transport of Goods by Sea:  
Central Government's Scheme.

The following information about a scheme sponsored by the Central Government for the encouragement of port-to-port transport of goods by sea is taken from a press communiqué issued by the Government of India, on 26-1-1945.

Owing to war conditions there has been a marked disparity in India between the cost of transport of goods by rail and coastwise by sea. The costs by sea are considerably higher than by rail, owing mainly to the cost of marine war risk insurance. The consequence has been that consignors have not infrequently preferred to use rail transport, even though this may involve delay in despatch. To ensure the maximum use of all available forms of transport, it is necessary to encourage the use of sea transport round the coast to the greatest possible extent; but before goods are forced on to the sea route, the difference between rail and sea charges has to be equalised as nearly as possible.

The Government of India's scheme consists of two important measures and will, in the first place, be applied only to certain movements of specified commodities which are considered essential. First, port-to-port rail rates for the carriage of these commodities will be raised so as to ~~make them comparable to the costs by sea exclusive of marine war risk insurance charges.~~ Secondly, by ~~arrangement~~ arrangement with the underwriters of ~~insurance~~ marine insurance, free marine war risks insurance cover will be provided at Government expense on all consignments of these goods which are sent by steamer or country craft, on condition that the consignor has at his own cost obtained a policy of ordinary marine insurance from an underwriter of his own selection.

The scheme, which will come into force from 1st February 1945, will in the first place, be applicable to movements between specified ports of the following commodities, which will thereafter normally be made by sea only: salt, commercial coal, raw cotton, cotton yarn, and cotton piecegoods tea, jute and jute goods, iron and steel, coir, copra, and ~~skin~~ leather.

For the purposes of the scheme, the Government of India will bear the cost of marine war risk insurance on a declared value (computed according to certain specified rules) of the goods transported by sea.

(The Hindu, 27-1-1945).+ +



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Post-War Reconstruction.

Training of Labour Officers in the U.K.: Central  
Government's Scheme.

Owing to the importance of war production and the necessity for rapid industrial expansion, labour problems have come into greater prominence in India during the present war, and further important developments are inevitable in the post-war period. It is, therefore, necessary to have a trained and experienced staff for labour administration.

The Government of India has now adopted a scheme for training the necessary staff in the United Kingdom. Officers of the Labour Departments of the Central and provincial Governments, who will be sent for training under this scheme will receive training in aspects of labour administration which are of immediate importance, such as industrial relations including the settlement of labour disputes, factory inspection and labour welfare, wage regulation and inspection, employment exchanges, demobilization and resettlement, welfare measures and dock labour and port registration schemes. The course will take six months and, in special cases, may be extended to eight months. The training will be divided into two parts, namely, training at the headquarters of the Ministry of Labour and National Service and training in the regions. At the headquarters the training will be theoretical and elementary, dealing mainly with the organization and functions of the Ministry of Labour and National Service. The training in the regions will be more detailed and practical.

Arrangements are being made to send the first batch of trainees, by the middle of March, 1945. It is proposed to send three batches, each consisting of 20 officers of the Central and provincial Governments.

(The Statesman, 13-2-1945).+

Technological Institute for India: Committee  
set up for drawing up Plan.

In order to ensure an adequate supply of technical personnel to meet the demands of the administrative services and industrial development in the country in the post-war period, the Government of India has appointed a committee, with Mr. N.R. Sarkar as its Chairman, to consider the establishment of a high-grade technological institute in India, possibly on the lines of the Massachusetts Institute of Technology. Among the members of the Committee are: Mr. A.D. Shroff, Dr. Sir J.C. Ghosh, Dr. Nazir Ahmad, Sir S.S. Bhatnagar, Sir Frederick Tymms, Mr. H.V.R. Iyengar, Mr. S. Lall, and Mr. John Sergeant.

The Committee will consider and make recommendations to the Government of India regarding (a) the scope and size of the proposed institute, (b) its site, (c) its control and management, (d) recruitment and conditions of service of its teachers, (e) the cost involved, and (f) other relevant questions.

(The Hindu, 27-2-1945).+

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Training of Skilled Artisans: All-India  
Scheme Recommended: Second Meeting of  
Standing Advisory Committee on Technical  
Training, Bombay, 12 to 14-2-1945.

A training scheme intended to train craftsmen for the war-time and post-war needs of civil industry in India, and aiming at a national system of training, including a national certificate of craftsmanship on the completion of training was one of the major subjects discussed at the second meeting of the Standing Advisory Committee on Technical Training held at Bombay on 12 to 14-2-1945. Mr. S. Lall, Additional Secretary, Labour Department, Government of India, presided.

Outline of Proposed Scheme.- In his opening speech, Mr. Lall emphasised that before attempting any large-scale industrial development, it was necessary to arrange for the supply of adequate technical man-power. The Government had already formulated a scheme for higher technical training in the United Kingdom and the United States of America to make good the deficiency in skilled technical staff of higher categories and to provide a nucleus of trained technicians for ~~supervision~~ supervisory work. For large-scale industrialisation, however, large numbers of artisans were also required and the scheme placed before the Committee was an attempt to face the problem of training these men.

For the present, it was proposed to have a little over 1,800 seats in five selected training centres for new entrants. These centres would provide a nucleus for a technical organisation to meet the requirements of civil industry in peace-time, and these facilities could be expanded at short notice as and when necessary. Men trained under this scheme would not be ready before about 3½ years from the inception of the scheme, but after the cessation of hostilities, a sufficient number of technicians demobilised from the Defence Services would be available for civil employment. It would be the first and foremost task to resettle them in civil life. Some of them may be fully equipped to undertake straightway technical jobs in industry, while others may need further training before they are employed. The tasks of giving further training to the demobilised technicians and of meeting the demands of post-war development schemes during the first post-war quinquennium would fall on the training centres.

Need for Large-Scale Expansion.- The annual intake of skilled and semi-skilled workers in industry was about 22,000, while the output of the various schemes for trade apprenticeship was less than 6,000. The position therefore, could hardly be regarded as satisfactory. And it was not possible to launch upon any programme of large-scale industrial expansion, which was the key-note of all the post-war development plans, without ensuring that industry would not be forced into a serious bottle-neck in the supply of skilled and trained workers.

Standardisation of Occupational Forms: Steps being taken.- Urging standardisation of occupational forms, Mr. Lall pointed out that it would be very useful if a common nomenclature and uniform standards were evolved for civil and military trades and all occupational terms clearly defined. The Defence Services alone had over 800 trade categories. The resettlement of demobilised members of the Defence Services into civil employment through employment exchanges would be greatly facilitated if the various army categories were accurately defined and their civil equivalents determined. It would also be necessary to define the various grades of skill in each ~~trade~~ trade. Information was being collected about the qualifications and experience of each category of personnel in the various

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branches of Defence Services. After collecting and tabulating this information, it was proposed to set up a small committee of technical experts to eliminate overlapping trades and to evolve a common nomenclature and uniform standards for the various civil and military trades.

**Committee's Recommendations: A National System of Training.**- The Committee recommended a national system of training followed by apprenticeship in factories under Government supervision and ultimately leading to a national certificate of craftsmanship recognisable all over India.

The scheme, when implemented, will initially start as an experimental measure and training for civil industry will be imparted in the main engineering trades at a few selected centres, which will be subsequently expanded. The ultimate aim of the new scheme is to provide technical training for candidates in each Province. Training at the centres will be ~~first~~ followed by an apprenticeship course in a factory. The duration of the training will be  $3\frac{1}{2}$  years. A significant feature of the new training scheme is the emphasis on general education. Educational instruction will form part of the training in the centre as well as in the factory. The cost of training at the centre will devolve on the Government and that of training in the factory on the employer concerned. Under this arrangement, a boy will enter the training centre between the age of 14 to 18 years and will emerge from the factory as a trained craftsman at the age of 16 to 20 years. The Committee agreed that a tripartite agreement should be executed by the apprentice, the employer who will provide practical training, and the Government.

**Regional Committees.**- The Advisory Committee generally agreed with the recommendation of the Central Advisory Board of Education on post-war ~~an~~ educational development in India, concerning the setting up of a National Council of Technical Education and recommended that training committees should be constituted in the Provinces. These committees will eventually be linked up with the National Council and will be in charge of the training of apprentices within their respective areas. They will be responsible for selecting the trainees, arranging their trade tests, allocating them to factories capable of giving proper training and so on. The regional committees will include representatives of employers and workers, and of the Provincial and Central Governments.

A suggestion was made at the meeting that training should also be ~~given~~ given to spinners and weavers in the textile industry. The Committee recommended that the views of the textile industry on the subject should be ascertained. The Committee also discussed questions relating to supervision over factory training, housing and welfare of trainees and stipends. Syllabuses of training for the new scheme, as drawn up by a technical sub-committee were also discussed at the meeting.

(The Hindu, 13 and 15-2-1945).†

General.

Mutual Aid Agreement between India and  
Canada: Supply of War Materials .

A Mutual Aid Agreement to facilitate supply of war materials was concluded between Canada and India in ~~Agass~~ August 1944. The Hindustan Times of 26-2-1945 gives a brief summary of the agreement.

The Agreement contains 11 articles wherein it is said the Government of Canada will make available to the Government of India such war supplies as the Government of Canada shall authorize from time to time, ~~to provided~~. The Government of India will continue to contribute to the defence of Canada and the strengthening thereof and will provide such articles, services, facilities, or information as it may be in a position to supply and as may from time to time be determined by common agreement in the light of the development of the war. [A large part of the supplies of ~~motor~~ motor transport required for the Indian Army is being furnished by Canada and it is expected that the war supplies to be furnished to the Government of India in accordance with this Agreement will consist chiefly of automotive equipment for military forces in India.

(The Hindustan Times, 26-2-1945).

List of the more important publications received in this  
office during February, 1945.

The International Labour Organisation.-

The Twenty-Sixth Session of the International Labour ~~Conf~~  
Conference (April 1944) - Report by the Indian Delegation.

Economic Conditions.-

- (1) Statistical Leaflet No. 3, Eleventh Issue (1943-44). Receipts at Mills in India of Raw Cotton Classified by Varieties, 1943-44 Season. Price 4 as. Indian Central Cotton Committee, Post Box 1002, Bombay.
- (2) Statistical Leaflet No. 4. Eleventh Issue (1943-44). Exports by Sea of Indian Cotton Classified by Varieties, 1943-44 Season. Indian Central Cotton Committee, Post Box 1002, Bombay.
- (3) Memorandum on Indian Trade Policy in the Post-War Period, by Sir Theodore Gregory, Economic Adviser to the Government of India. Published by the Manager of Publications, Delhi. 1944. Price annas 3 or 4d.
- (4) India Supplement to Guide to Current Official Statistics - Vol. I: Working Class Cost of Living Index Numbers in India, A Critical Study, by S. Subramanian, Statistician. Published by the Manager of Publications, Delhi. 1945. Price as. 12 or 1s.
- (5) ~~Memorandum on Indian Monetary Policy in the Post-War Period, by Sir Theodore Gregory, Economic Adviser to the Government of India. Published by the Manager of Publications, Delhi. 1944. Price As. 4 or 5d.~~
- (6) The Location of Industry in India. 1944. (Issued by the Office of the Economic Adviser to the Government of India).

Living Conditions.-

- (1) "Feeding the Worker": Canteens in Industry. A Guide to Planning, Management and Service. Issued by the Government of India, Departments of Food and Labour, New Delhi. January 1945.
- (2) Note on Food and Nutrition Policy in India, by W.R. Aykroyd, C.B.E., M.D., Sc.D., Department of Food, Government of India, New Delhi. Printed by the Manager, Government of India Press. 1945.

Organisation, Congresses, etc.-

- (1) All-India Trade Union Congress. Report of the General Secretary to the 21st session at Madras. From May 1943 to December, 1944.
- (2) Resolutions passed at the Second Annual Conference of the Indian Federation of Labour held at Jamshedpur on December 24 and 25, 1944.

social Conditions.-

Census of India, 1941, Volume XIX. Cochin - Part I: Report, Part II: Tables, by B.V.K. Menon, B.A., B.L., Census Commissioner, Cochin. Printed by the Superintendent, Cochin Government Press, Ernakulam. 1944.