UNITED STATES DEPARTMENT OF LABOR
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BUREAU OF LABOR STATISTICS
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Wartime Labor Conditions in India

by
RAJANI KANTA DAS
formerly of the
International Labor Office

Bulletin No. 755

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Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., October 18, 1943.

The SECRETARY OF LABOR:

I have the honor to transmit herewith a report on wartime labor conditions in India, prepared by Rajani Kanta Das, formerly of the International Labor Office. The material previously appeared in the September and October 1943 issues of the Monthly Labor Review.

A. F. HINRICHS, *Acting Commissioner.*

Hon. FRANCES PERKINS,
Secretary of Labor.

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Wartime Labor Conditions in India

Summary

VARIOUS organized or large-scale industries such as plantations, mines, railways, and factories have been developed in India. These have been considerably increased under war conditions and employ about 5 million workers, about 3 million of whom are in factories.

India has made considerable progress in labor legislation, has ratified and applied 14 International Labor Conventions, has established advanced labor standards, and has instituted a tripartite labor organization, besides adopting several wartime measures providing for workers' training, and for the control of employment.

Trade-unionism has also made some progress and received State recognition. Measures have been passed for the prevention and settlement of industrial disputes. Strikes without 14 days' notice have been prohibited in all industries for the duration of the war. Indian workers are strongly against Nazism and Fascism and have been helping the Government to increase civilian and military production.

The system of recruitment through intermediaries, although condemned, still prevails in most of the industries. The greater part of the Indian workers are unskilled and inefficient, mainly because of malnutrition, illiteracy, and lack of training. The Government of India has realized the importance of industrial training for wartime production and has developed several schemes of training workers. By March 1943, 70,000 workers were expected to complete their training.

Sanitation and safety are well provided for in most of the larger plantations, mines, and factories, although much remains to be done among the smaller ones. In 1938, there were 35,065 industrial accidents and the average compensation per accident was Rs. 40.9.

Working hours in India have been regulated by law in many industries and in these cases the maximum workweek usually is 54 or 60 hours. Actual working hours, however, are considerably shorter than the maximum.

Both time and piece rates are paid. Under the law, wages must be paid at least once a month; many industries pay their workers twice a month and some pay by the week or even by the day. The cash wages are supplemented by various bonuses and payments in kind as well as by cost-of-living allowances, but earnings are nevertheless very low in most of the industries.

The standard of living is also very low. The workers' diet is deficient in both quantity and quality; housing often lacks even the minimum facilities for sanitation and health. Indebtedness is common and the high rates of interest form a serious drain on the family income. The high cost of living and the shortage of food under war conditions have seriously affected workers' real wages and the Government and employers have been obliged to open cost-price food stores on the premises of factories and in industrial centers.

Although India has made considerable progress in improving labor standards, several urgent steps remain to be taken, among them the following: (1) Measures to raise the level of education and training of the workers, most of whom are illiterate and unskilled (the present Government schemes of training workers for war industries are commendable but very limited in scope); (2) the creation of minimum-wage-fixing machinery for increasing wages as well as improving the standard of living; (3) the enlargement of the scope of social security, to cover unemployment, sickness, and old age; and (4) the establishment of collective bargaining and the recognition of workers' organizations by employers.

Industrial Development

With an area as large as Europe, not including Russia, and with about a fifth of the world's population, India occupies an important place in the world economy. The most important industry in India is agriculture, which directly or indirectly supports about four-fifths of the population. In spite of the introduction of a few commercial crops, Indian agriculture is largely based on a subsistence economy. It is primitive and backward and is in urgent need of reorganization on the principles of modern science and technology.

The second important class of industry is handicrafts, through which most of the national needs for manufactured goods are still supplied. In competition with modern industries from the West, Indian arts and crafts declined in the second half of the 19th century, but some of them have been recently revived. In 1938–39, the handloom industry, for instance, supplied 2,259 million yards of cotton cloth, as compared with 4,553 million yards produced by the power-loom industry.

The most important factor in the economic development of modern India is, however, the rise of organized or large-scale industries, the present position of which is best indicated by the investment of the paid-up capital of Rs. 3,037 million[1] by 11,372 (1939–40) Indian joint-stock companies and £745 million[2] by 870 (1938–39) foreign joint-stock companies. Of the modern industries, the most important are cotton[3] and jute mills, tea and other plantations, coal and other mines, and iron and steel industries, railway and engineering workshops, and munitions and ordnance factories.

Even more significant is the fact that India has great potentialities for the development of heavy and large-scale industries, as indicated by the following facts: (1) There are reserves of 3,000 million tons of iron ore of 64-percent iron content, 60,000 million tons of coal, and

[1] Average exchange rate of rupee in 1938=36.59 cents; in 1939=33.25 cents, and in 1940=30.15 cents.
[2] Average exchange rate (free) of British pound in 1938=$4.88; in 1939=$4.43.
[3] Indian cotton mills have 10 million spindles and 200,000 looms.

27 million horsepower of hydro-electric resources; (2) the country has substantial capital resources, as indicated by the fact that since the beginning of the war India has reduced its national debt, including railway stocks and annuities, from Rs. 4,800 million to Rs. 882 million, has accumulated Rs. 4,600 million in pounds sterling in the United Kingdom, and has made an industrial profit of Rs. 1,000 million and (3) there are immense manpower resources of great potential efficiency, as well as an increasing purchasing power of a vast population.

War has given a new impetus to industrial development, for the production of civilian and military requirements both of India and of some of its allies. From the beginning of the war to October 1942, the value of contracts placed by the Government of India for supplies amounted to Rs. 4,280 million. Most of the industries have been organized on a wartime basis; and production, distribution, and consumption have been brought under Government control. The Government has also enacted legislation and promulgated orders for the regulation of the working and living conditions of the workers and for their training in modern industry.

Rise of Industrial Labor

According to the census of 1931, which is still the latest source of information on occupational distribution in India, of the total population gainfully employed, two-thirds were engaged in agriculture, one-sixth in industry, transport, and trade, and the remainder in professions, liberal arts, public works, and other vocations. The total number of wage workers was 56.5 million, including 31.5 million agricultural workers and 25 million nonagricultural workers. On the basis of a population growth of 15 percent in the last census decade, the total number of wage workers by 1941 was about 65 million, including 36 million agricultural workers and 29 million nonagricultural workers.[4]

HISTORICAL DEVELOPMENT

The beginning of industrial labor, or more strictly, labor in organized or large-scale industries, may be traced to the middle of the last century when the Public Works Department was established, and elaborate schemes for the construction of roads, railways, and public buildings were projected. The significance of these public works lies in creating new and permanent opportunities for industrial employment and in introducing the system of payment in cash rather than in kind, the latter having been up to that time almost universal throughout the country.

Public works were soon followed by other organized industries, such as railways, plantations, mines, and factories, which began to develop in different parts of the country and to employ increasingly large numbers of workers. Since the beginning of the present century, and especially since the first World War, industrial activities have still further increased and have created new demands for industrial labor. The exact number of such laborers is difficult to ascertain, owing to the lack of statistical data, but in 1932 the total number of workers in organized or large-scale industries was estimated by the

[4] Because of war conditions some of the statistics are not published; others are not available in the United States.

Indian Franchise Committee at about 5 million,[5] which must have now increased to about 7 million, especially under war conditions.

OCCUPATIONAL CLASSIFICATION

The most important classes of industrial workers are those employed in such industries as plantations, railways, mines, and factories, which employed approximately an average daily number of over 4,672,000 persons in British India during the period, 1938–41:

	Establishments	*Average daily number of workers*
Plantations (1938–39)[1]	8, 478	885, 950
Factories (1940)[2]	[3] 10, 466	2, 727, 927
Railroads [4]	------	730, 436
Mines (1940)[5]	[3] 1, 925	328, 196
Approximate total	------	4, 672, 509

[1] Government of India, Calcutta and Delhi: Indian Rubber Statistics, 1938; Indian Coffee Statistics, 1937–38; and Indian Tea Statistics, 1939.
[2] Government of India, Indian Trade Journal, January 1, 1942.
[3] Data are for 1939.
[4] There were 40,000 miles of railways in 1940–41 (Report by Railway Board on Indian Railways, 1940–41).
[5] Annual Report of Chief Inspector of Mines in India, 1938.

Indian States have also developed a large number of organized industries; their mines, plantations, and factories employed in 1937–39 a daily average of 514,184 workers—173,952 on plantations, 41,138 in mines, and 299,094 in factories. Because of lack of definite information on their working and living conditions, these workers have been excluded from the present study, as have also (for the same reason) seamen, longshoremen, street-railway employees, and drivers of busses and taxis. The largest group of transport workers consists of the railroad employees, shown above.

Plantations, especially those for the cultivation of tea, rubber, and coffee are among the oldest organized industries. In India, as a whole, these plantations employed a daily average of 1,059,902 workers in 1937–38; four-fifths of these were in British India and included 5,239 on rubber estates, 47,832 on coffee estates, and 832,879 on tea plantations. The largest group of tea-garden workers was employed in Assam,[6] as shown below:

	Total number on books	*Average daily attendance*
Total	646, 588	462, 250
Men	294, 848	218, 409
Women	263, 280	181, 197
Children	88, 460	62, 644

Mines have been under Government control since 1901. The underground employment of women ceased as of July 1, 1937. Of the total number of mine workers in 1940, 209,173, or about two-thirds, were employed in coal mines. The following statement shows the number of workers in all types of mines in British India in 1940:[7]

	Total	*Men*	*Women*
Total	328, 196	271, 058	57, 138
Underground	156, 238	156, 238	------
Open workings	83, 585	53, 344	30, 241
Surface	88, 373	61, 476	26, 897

[5] Census of India, 1935 (p. 285); also Report of the Indian Franchise Committee, 1932 (p. 91).
[6] Data are from Annual Report on the Working of the Tea Districts Immigrant Labor Act (1932), for 1937–38 (Statements VII and VIII).
[7] Data are from Annual Report of Chief Inspector of Mines in India, for 1940 (Calcutta, 1941).

The largest number of industrial workers is employed in factories which, as above noted, employed about 2¾ million persons in 1940. Detailed information on factories is available only for 1939, when there were 6,943 factories working the year round and employing 1,460,314 people, and 3,523 factories working only during the season or part time in the year and employing 290,823 people. The distribution of these workers is shown in table 1.

TABLE 1.—*Factory Workers in British India, 1939* [1]

Class of worker	Total	Year-round factories	Seasonal factories
All classes	1,751,137	1,460,314	290,823
Men	1,475,723	1,266,462	209,261
Women	239,414	164,825	74,589
Adolescents (15 and 16 years)	26,597	21,535	5,062
Children (12 to 15 years)	9,403	7,492	1,911

[1] Data are from Statistical Abstract for British India (London, 1943).

GEOGRAPHICAL DISTRIBUTION

Most of the industrial workers are concentrated in certain regions. The rubber and coffee plantation workers are in Travancore, Cochin, Madras, and Coorg, and tea-garden workers in Assam and Bengal. Mine workers are mostly in Bihar and Bengal, which employed respectively 170,217 and 60,661 workers in 1938. The centers of the coal industry are Jharia (Bihar) and Ranigunj (Bengal), which produced two-fifths and one-fourth of the total output and employed one-fourth and one-fifth of the total mine workers, respectively.

As shown in table 2, the majority of the factory workers are found in Bengal and the Bombay Presidency (with about one-third and over one-fourth of the workers in 1939), and in Madras and the United Provinces (with one-ninth and one-eleventh of the workers).

TABLE 2.—*Distribution of Factory Workers in British India, by Provinces, 1938* [1]

Province	Factories		Workers	
	Number	Percent of total	Number	Percent of total
Total	10,466	100.0	1,751,137	100.0
Bengal	1,725	16.5	571,539	32.5
Bombay	3,120	29.8	466,040	26.6
Madras	1,811	17.3	197,266	11.3
United Provinces	546	5.2	159,738	9.1
Bihar	328	3.1	95,988	5.5
Punjab	800	7.6	78,302	4.5
Central Provinces and Berar	740	7.1	64,494	3.7
Assam	772	7.4	52,003	3.0
Others	624	6.0	65,767	3.8

[1] Data are from Statistical Abstract for British India, 1943.

Most of the factory workers are concentrated in the large cities and their vicinities. The leading industrial centers are Calcutta and Bombay, employing about one-fourth and one-tenth of the total

factory workers. Of the other industrial cities, Ahmedabad, Cawnpore, and Jamshedpur are the chief, as indicated below:[8]

	Number of factories	*Number of workers*
Calcutta and vicinity	943	439, 022
Bombay and the island	476	177, 323
Ahmedabad	247	102, 753
Cawnpore	---	51, 892
Jamshedpur	---	28, 737
Madras	---	23, 492

Since the beginning of the war in 1939, almost 300,000 workers have been added to different factories, especially to those which are engaged in war production. The total number of factory workers would now amount to about 3 million.

Labor Legislation

Labor legislation has made considerable progress in India within the past two generations and become an important social institution. India has already ratified and applied 14 International Labor Conventions and given effect to a number of Recommendations.

The origins of labor legislation in India may be traced back to 1863, when the first plantation law was passed. Although the main object of that measure was to give legal sanction to the indenture system, and guarantee the employer a stable labor force recruited at his own expense, it also assured the workers steady work, adequate sanitation, and fixed wages. The first factories act was, however, passed in 1881, laying the foundation for the development of modern labor legislation. Since then the number of labor measures has increased both in volume and in kind, with reference both to labor in general and in specific industries. The following deserve special mention:

(1) The regulation of forced labor and the abolition of the indenture system.

(2) The establishment of a minimum age and physical-fitness standard for the admission of children into employment in factories, mines, and docks, the limitation of the hours of work to 5 a day for children between the ages of 12 and 15 in factories, and the prohibition of night work.

(3) The creation of a new class of protected young workers between the ages of 15 and 17, who may not be employed as full-time workers in factories without certification of physical fitness.

(4) The abolition of nightwork of women and of their employment on underground work in mines and on dangerous work in factories.

(5) The regulation of hours of work of adult workers in factories and mines, on railways and on board ship.

(6) A compulsory weekly day of rest in factories, mines, plantations, railways, shops, commercial enterprises, restaurants, and theaters.

(7) The provision of health and safety standards for workers in factories and mines and on docks.

(8) The protection of wages as regards time and method of payment, and the abolition of the system of fines and deductions from wages earned, as well as relief from indebtedness, attachment of wages, and imprisonment for debt.

[8] Industrial Labor in India, Geneva, International Labor Office, 1938, p. 49.

(9) The provision of compensation for industrial accidents and for a number of industrial diseases, to over 6 million workers in organized and semi-organized industries, and of maternity benefits to woman workers in factories in several Provinces.

(10) The provision for facilitating industrial welfare work.

(11) Measures for the recognition of trade-unionism and for the prevention and settlement of industrial disputes.[9]

ADMINISTRATION OF THE LAW

The importance of proper administration has been realized by the Government since the beginning of labor legislation, and necessary provisions have also been made under each measure. In 1941 the Government of India created an independent labor department under a member of the Viceroy's Executive Council and appointed a special officer to advise on labor legislation. Administrative organizations have also been established by Provincial governments. The Government of Bombay established a labor office under a commissioner of labor in 1921, and similar action has been taken by the other Provincial governments.

Every legislative measure has included provision for the (1) inspection of factories, mines, and similar industrial plants, (2) the adjustment of the claims of workers against employers, as in the case of compensation and wage payment, and the settlement of any disputes arising between the two parties, and (3) the prosecution of violators of the law and the infliction of penalties in case of conviction. The administration and enforcement of the law are carried on by both the Central and the Provincial governments.

TRIPARTITE LABOR ORGANIZATION

An important step toward the improvement of industrial relations and the amicable settlement of industrial disputes was the establishment of a permanent tripartite labor organization composed of the representatives of governments, employers, and workers, meeting in an annual conference and having a standing committee on the model of the International Labor Organization. The object of this new organization is three-fold: The promotion of uniformity in labor legislation, the formulation of a procedure for the settlement of industrial disputes, and the discussion by employers and workers of matters of national importance.

The first conference was held under the chairmanship of the Labor Member of the Viceroy's Council in New Delhi on August 7, 1942. The conference was composed of 22 representatives of the Government of India, Provincial governments, and Indian States, and 11 representatives each of workers and employers. The standing committee was composed of 5 representatives of the Government of India, Provincial governments, and Indian States, and 5 representatives each of employers and workers, with the Labor Member acting as chairman. The first session of the standing committee was held in New Delhi on November 30 and December 1, 1942, under the chairmanship of the Labor Member of the Viceroy's Executive Council; such questions as wartime labor legislation, production problems, workers' earnings, labor welfare, and industrial statistics were discussed and

[9] History of Indian Labor Legislation, by Rajani Kanta Das, University of Calcutta, 1941.

an agreement was reached regarding a uniform scale of cost-of-living bonus, supply of food grains at cost price, and the supply of "standard" or utility cloth.[10]

WARTIME LABOR MEASURES

Under the pressure of war, the Government of India has been obliged to undertake a number of measures regarding labor, the most important being the following:

(1) The National Service (Technical Personnel) Ordinance, issued by the Government of India on June 29, 1940, which enables the Central Government to control the employment and distribution of all skilled and semiskilled labor in India, and to insure that it is used as effectively as possible in the prosecution of the war. The ordinance is administered through organizations known as National Service Labor Tribunals, one of which has been constituted in every Province except Orissa and the Northwest Frontier Province (which are included in the jurisdiction of the Bihar and Punjab Tribunals, respectively). The ordinance aims at the provision of adequate supplies of labor for Government and other factories, called "notified factories," engaged on work of national importance. The tribunals have power to remove technical personnel from "unnotified" factories and the Central Government can exercise similar powers in respect to "notified" factories.

(2) The Essential Services (Maintenance) Ordinance, issued by the Government of India in 1941, empowering it to prohibit any worker engaged in any employment covered by the ordinance from leaving his job without permission. Two formal amendments were made in May and July 1942, in order to make it clear that the obligation under the ordinance to remain in certain employment does not override an obligation to undertake employment elsewhere imposed under any other law in force, such as the National Services (Technical Personnel) Ordinance, and on the other hand, to render more specific the provisions relating to the continuance in service of essential personnel.

Rules for the administration of the ordinance were promulgated in Bengal in May 1942. Under these rules the Labor Commissioner is empowered to issue directions regulating the wages and other conditions of service of persons engaged in any employment to which the ordinance is applied. Similar rules were promulgated in Orissa in June 1942, empowering the district magistrates to regulate the wages and other conditions of service of all employees of essential services, subject to the general control and supervision of the Provincial government.[11]

(3) A general order of March 6, 1942, issued by the Government of India under the Defense of India Rules, prohibited strikes and lockouts except after 14 days' notice. Under the India Trade Disputes Act of 1929, this provision had been confined to public utilities. The new order extended the scope of this provision to all industries and enunciated the principles of compulsory arbitration and the enforcement of the arbitrator's award. Up to April 1943 compulsory arbitration had been applied in only about 25 cases.

(4) As a result of the increasing demand for textile, leather, and other goods under war conditions, the hours of work in the industries

[10] International Labor Review (Montreal), June 19, 1943 (pp. 762-65).
[11] International Labor Review (Montreal), April 1943 (p. 501).

producing these commodities have been increased in most of the Provinces, at the suggestion of the Central Government. In November 1941 the Governments of Bombay, Bengal, the Central Provinces and Berar, the United Provinces, Madras, and Sind raised the maximum weekly hours of work from 54 to 60 and provided for overtime pay for the additional 6 hours.

Industrial Relations

EMPLOYERS' ASSOCIATIONS

The earliest organizations of employers in India were those of Europeans, who were the pioneers of organized industry; and it is only in recent years that Indian employers have developed strong organizations of their own for furthering their group interests. At present, employers' organizations in India may roughly be divided into three categories—commercial associations, industrial associations, and employers' associations. The main objects of employers' associations, which are directly concerned with labor questions, are the establishment of a harmonious relationship between labor and capital, the securing of proper representation of the interests of their members in the Provincial and Central legislatures, and the nomination of delegates and advisers to represent the employers of India at the International Labor Conference.

Employers' associations exert a great influence on national labor policy. All important industries, such as the cotton mills of Bombay and Ahmedabad, the jute mills of Calcutta, the tea gardens of Assam, and coal mines in Bengal and Bihar, are highly organized. They not only take concerted action in fixing the conditions of labor and rates of wages in the establishments of their members but are also represented in the Central and Provincial legislatures as well as on commissions and committees and similar bodies appointed by the Government to consider economic and labor questions.

LABOR ORGANIZATIONS

The origins of labor organization in India may be traced back to the year 1890 when a laborers' association was formed at Bombay. It was not until 1918, however, that the trade-union movement really began, with the establishment of labor unions at Madras, Bombay, and Calcutta. Since then the number of unions has increased rapidly in most of the important industries all over the country. The exact number of trade-unions is hard to estimate, but those which have been registered under the Trades Unions Act of 1927 increased from 29 with a membership of 100,619 in 1927–28 to 666 with a membership of 511,138 in 1939–40.

The most important labor organization in India is the All-India Trade Union Congress, which was started in Bombay in 1920 with the object of coordinating "the activities of all organizations in all the Provinces in India, and generally to further the interest of Indian labor in matters economic, social, and political." After serving as a national platform for the declaration of a policy of organized labor in both national and international organizations, the Congress split into two groups in 1929 and only recently has the gulf between the

two factions been bridged. It now stands as the only central organization of the wage-earning classes.

Indian trade-unionism has not yet become an effective movement. Its weakness arises from such causes as the absence of any permanent class of wage workers, the illiteracy of the largest part of the workers, the lack of adequate leadership, and nonrecognition by employers. In spite of these defects, however, the labor movement has become an important factor in the national life, as is indicated by Government recognition of trade-unions in the enactment of protective legislation in 1926, the rise of the labor press which has become influential in recent years, representation by trade-unions in the Central and Provincial legislatures, and representation by Indian labor in the International Labor Conference and also in the Governing Body of the International Labor Organization.

INDUSTRIAL DISPUTES

Isolated industrial disputes took place in India as early as the eighties of the last century, but it was not until 1918 that they became serious and attracted public attention. In 1921, when the first accurate data became available, there were 396 disputes involving over 600,000 workers and causing loss of over 6,900,000 working days. In 1928 the number of disputes as well as the number of workers involved declined, but the lost working days amounted to more than 31,000,000. In 1940 there were 322 disputes, involving 453,000 workers and over 7,577,000 days of idleness, as shown in table 3. There is a good deal of fluctuation in the number of disputes, of workers involved, and of working days lost, because of the nature and conditions of industry and the classes of workers concerned. The railway and textile industries are responsible for the loss of more working days than any other industries. The great increase in the number of working days lost in 1928 was due to the prolonged dispute on the railroads. In 1940, over 42 percent of the strikes, 73 percent of the striking workers, and about 80 percent of the working days lost were in cotton and jute mills.

TABLE 3.—*Industrial Disputes in India in Specified Years, 1921–40* [1]

Year	Disputes	Workers involved	Working days lost
1921	396	600,351	6,984,436
1926	128	186,811	1,097,478
1928	203	506,851	31,647,404
1938	339	401,075	9,198,708
1939	406	409,000	7,993,000
1940	322	452,539	7,577,000

[1] Data are from Government of India Bulletin of Indian Industries and Labor No. 43062: Industrial Disputes in India; and Indian Trade Journal, January 1, 1942 (p. 42).

The immediate causes of disputes are economic. Of all disputes from 1921 to 1937, 56 percent were concerned with wages and bonuses, 21 percent with personnel (i. e., employment and dismissal), and 23 percent with leave, hours of work, and other causes. Similarly, 62 percent of the disputes in 1940 were caused by demands for higher wages, and the rest by demands for bonuses, and by personnel questions, leave, and hours of labor. Among other causes must be

mentioned political unrest during the post-war period 1918–21 and communistic propaganda during 1920–21. Even in these cases the economic factor was the underlying cause, and, as pointed out by the Royal Commission on Labor in India, "there has rarely been any strike of any importance which has not been due entirely or largely to economic reasons." The increasing cost of living since the beginning of the present war has been causing a good deal of unrest among the workers, and although "dearness" (cost-of-living) allowances have been granted by the employers, they have not adequately met the grievances of the workers.

CONCILIATION AND ARBITRATION

The frequent occurrence of disputes had led the Central and Provincial governments to enact measures for their prevention and settlement. The Government of India passed the India Trade Disputes Act of 1929, prohibiting strikes and lockouts in the public-utility services and for any purposes other than the furtherance of trade-union interests; it also provided for the appointment by the Government, whether Central or Provincial, of a court of enquiry and a board of conciliation in the case of any disputes, if both parties applied for it. Since most of the important strikes took place in the Bombay Presidency, the Government of Bombay also enacted the Bombay Trade Disputes Conciliation Act of 1934; it provided for the appointment by the government of a labor officer to guard the interests of the workers and to remove their grievances, and also named the commissioner of labor as chief conciliator with the power to initiate, as soon as a trade dispute appeared or was apprehended, conciliatory proceedings with a view to effecting an amicable settlement. Finally, the Government of India also passed the India Trade Disputes (Amendment) Act of 1938, redefining public-utility services and authorizing the Government to appoint officers charged with the duty of mediating in or promoting the settlement of trade disputes; and, as noted above, in 1942 prohibited strikes or lockouts, except after 14 days' notice, in any industry for the duration of the war.

WORKERS' ATTITUDE TOWARD THE WAR

Indian workers are strongly against Nazism and Fascism. In public meetings at Calcutta and Jamshedpur in January 1941, they pledged their help to the workers of Great Britain and the Soviet Union in their struggle against Germany and Italy.

Indian workers were, however, disappointed at the failure of the Cripps Mission and especially at the arrest of Gandhi and other leaders on August 9, 1942. A large number of workers, especially in the cotton mills of Bombay, Ahmedabad, Calcutta, Madras, Coimbatore, and Jamshedpur, immediately went on strike. With the reopening of the cotton mills at Ahmedabad on November 26, 1942, the political strikes and lockouts came to an end. In spite of these strikes, the majority of the workers throughout the country remained remarkably steady. Moreover, as pointed out by the Labor Member of the Government of India, there was no sabotage on the part of the strikers.

What is more important is the fact that there was no strike among the railwaymen. The disturbances in railway communication and

the damages to railway property were caused largely by gangs in the rural districts and by the students in the urban areas. As pointed out by the president of the Indian Railwaymen's Federation, the vast majority of Indian workers, although in full agreement with the rest of the Indian people in demanding India's independence and national government, supported the United Nations' war against the Axis and were strongly opposed to strikes and riots.

In a recent broadcast, the Labor Member of the Government of India also pointed out that it was undeniable that Indian labor was actively cooperating in the war effort and wanted fair conditions of both work and living, including democratic ideals which could be achieved only through Allied victory.[12]

Employment and Unemployment

The rise and concentration of organized industries in a few centers away from the sources of labor supply and the increase of population faster than the volume of national employment have raised the problems of employment and unemployment in India.

LABOR SUPPLY

In spite of the vast potentialities of India as a source of labor supply, some of the organized industries were, in their early days, confronted with the difficulty of obtaining not only the right kind of labor but also a sufficient number of workers. This was especially the case with tea gardens in Assam and coal mines in Bengal and Bihar, as they were in sparsely populated regions and the nature of work was different from that to which the people were accustomed. The unhealthful conditions of most tea gardens in Assam, the lack of any organized method of recruiting, and the insufficiency of the transportation system, as well as the ignorance and immobility of the laborers themselves, added to the difficulty.

At present, however, there is scarcely any difficulty in securing sufficient unskilled and semiskilled labor, except that labor for the Assam tea gardens still requires some governmental control, with special reference to recruitment, transportation, and repatriation. There is, however, a dearth of skilled labor for all industries engaged in the war effort.

The essential feature of industrial labor in India is that it is migratory. Most of the factory workers, including those employed on plantations, are recruited from the rural districts, where they are occupied in agriculture and handicraft, and where they have their families and often hold land. The pressure of population on the land, the overcrowding of agriculture, and the decline of handicrafts have forced some of them to look for occupational opportunities in industrial centers, but they generally leave their families in the villages and return home periodically, especially during the planting and harvesting seasons. However, a class of industrial workers has been growing in large centers such as Bombay and Ahmedabad, becoming increasingly dependent upon industrial work as a sole means of livelihood.

[12] Indian Information (New Delhi), January 1943.

RECRUITMENT AND ENGAGEMENT

Methods of recruiting and engaging labor differ in the various industries, but are characterized almost everywhere by the use of intermediaries. In the south, plantations recruit their labor forces from the neighboring villages, but in the north, especially in Bengal and Assam, the tea-garden proprietors prefer the aboriginal population of Nagpur and the Santhal Parganas. The Assam tea gardens draw their labor forces from distant parts of the country, and formerly recruited them under the indenture system which was, however, abolished in 1932. The majority of the mine workers belong to the aboriginal races and are recruited either through contractors or agents of the mines. Unskilled laborers for railways are mostly recruited locally, semiskilled laborers through promotion, and skilled laborers from outside applicants who have been trained in particular trades.

The factories are scattered all over the country and the sources of supply, as well as methods of recruitment, vary widely. Small factories in industrial centers recruit their laborers locally, but large industrial centers like Calcutta, Bombay, Ahmedabad, Nagpur, and Jamshedpur depend upon migrant labor. The most common system of engaging laborers is through the supervisor or jobber, on whom depends also the promotion, transfer, and dismissal of his workers. This system has given rise to a number of evils, such as favoritism and bribery. It was strongly criticized by the Royal Commission on Labor in 1931, which condemned the system and recommended the recruitment and engagement of workers by a specially appointed labor officer in larger factories and by the manager himself in the smaller ones.

EXTENT OF UNEMPLOYMENT

Unemployment has become a serious problem in India, partly because of the decline of the handicraft industries and partly because of the retarded growth of organized industries. This maladjustment between population growth and the volume of employment affects all types of workers, agricultural, educated, and industrial.

Agricultural unemployment, or rather underemployment, is a major problem. Various estimates show that most of the cultivators in India have not sufficient work to keep them occupied for more than 6 months in the year. The fundamental causes of this underemployment are the overcrowding of agriculture far beyond its sustaining capacity, the scarcity of supplementary occupations, and the backwardness of agricultural industries. Among the remedies suggested for solving the problem are the improvement, diversification, and intensification of cultivation, the reconstruction of cottage industries and reorganization of arts and crafts in the light of modern technology and marketing, and the establishment of industries in rural areas, such as the preservation of fruits and vegetables and the manufacture of agricultural implements.

The problem of unemployment among the educated classes has become very serious, especially during the last two decades, and several commissions and committees have been appointed by most of the Provincial governments to solve the problem. The principal causes of unemployment among the educated are, first, the absence of compulsory universal education, which would employ the largest num-

ber of the graduates of colleges and universities; second, the lack of sufficient modern industries to absorb the increasing number of educated young men; and finally, the theoretical and academic nature of Indian education, which scarcely prepares young men for the technical and practical work required by modern industries and commerce.

The problem of industrial unemployment is of very recent origin. Organized industries made almost steady progress during the first quarter of the present century. After the depression of 1929 some of the industries reduced the number of their workers, through either retrenchment or rationalization. Since the beginning of the war, there has, however, been a great expansion of most industries in both handicrafts and factories. Although some of the industries such as jute, have reduced their production and working strength, most of the others have expanded production and employment, this being especially true in the cotton, sugar, iron and steel, chemical, and ordnance and munitions industries. As long as expansion continues on this scale, there may be some allocation and reallocation, but there is no likelihood of an unemployment problem, at least for the duration of the war.

The appearance of industrial unemployment has, nevertheless, raised the question of finding some measures for its remedy. Those industries which depend upon labor recruited from distant places can easily adjust the supply of labor to their demand through the control of recruitment. However, there still remains the problem of those workers who are already employed, and especially of those who have come to depend on industrial employment as a sole means of livelihood. Of the several remedial measures proposed the following are worth considering: First, the introduction of some kind of unemployment insurance fund within an industry, to which both workers and employers may contribute; second, the extension of the relief work already utilized in the case of famine and scarcity. The essence of the relief-work method is the preparation beforehand of schemes of work for the workless and putting these into operation when the flow of labor to works on which only a bare subsistence wage is paid has demonstrated the need of relief.

Efficiency and Training

The efficiency of Indian labor is rather low. By far the majority of the workers are unskilled. In 1920, for instance, only 26.9 percent of the total labor supply in certain areas was found to be skilled in the ordinary sense of the word. There are several causes for this low efficiency.

First, there is the lack of vigor and vitality among the majority of Indian workers, largely because of malnutrition and ill health, as indicated by the low expectation of life which is only 26.91 years for men and 26.56 years for women (1931) as compared with 59.06 years for men and 62.68 years for women (1929–31) in the United States. The food supply is insufficient in both quantity and quality. According to Sir John W. D. Megaw, former Director General of the Indian Medical Service, over two-thirds of the Indian people are undernourished. An analysis of the diet of the jute-mill workers in Calcutta in 1930 showed that it was deficient in animal fats, proteins, and other protective elements. Moreover, both endemic and epidemic diseases

not only kill a large number of people annually but also devitalize others for efficient work.

Second, the industrial workers are almost all illiterate. According to the census of 1941, the proportion of literacy among the Indian people as a whole is only 12 percent, and practically all the workers are illiterate. "In India," said the Royal Commission on Labor of 1929–31, "nearly the whole mass of industrial labor is illiterate, a state of affairs which is unknown in any other country of industrial importance. It is almost impossible to overestimate the consequences of this disability, which are obvious in wages, in health, in productivity, in organization, and in several other directions." [13] This illiteracy stands in the way of the workers' intelligent participation in the work and in the acquisition of skill.

Third, the absence of any permanent body of industrial workers who could make industrial labor a means of their livelihood and specialize in certain occupations makes for inefficiency. Most of the industrial workers in India are migrants and are drawn from rural districts where they are generally occupied in agriculture and handicrafts, and are quite unaccustomed to the work in modern industry. Moreover, lack of standing orders or rules of conduct stands in the way of the worker's acquiring industrial discipline, which is an important element in industrial efficiency. Although the public and semipublic establishments are subject to the Government Servants Conduct Rules, private enterprises have no standing orders or rules of conduct. In 1928 the Bombay Millowners' Association drafted a uniform set of standing orders for their workers, but they were never put into practice.

A fourth cause of inefficiency is inadequacy of management and supervision. Both of these have recently improved in most of the highly organized industries, such as the Tata Iron & Steel Co. (Jamshedpur), the British India Corporation (Cawnpore), and the Buckingham & Carnatic Mills (Madras), as well as in many other advanced industrial establishments in Bombay, Calcutta, Ahmedabad, and Nagpur. Nevertheless, the great majority of industrial enterprises need to improve both management and supervision with special reference to proper selection and placement, adjustment of the worker to his job, personnel administration, and advancement and promotion—all essential for improving the efficiency of the worker and increasing the productivity of industry.

Finally, another important method of increasing the efficiency of an industry is rationalization, which has already been introduced in many cases. Little is known about the forms such scientific management has taken, except in the case of the cotton mills of Bombay and Ahmedabad where it has mainly meant increasing the number of machines in charge of one worker, either in the spinning or the weaving or in both departments. Most of the mills in Bombay City, however, encountered technical difficulties (e. g., coarse counts, fancy cloth, and short lengths) in adopting schemes of rationalization. Much more progress in the improvement of plants and working conditions has been made in Ahmedabad, where recently a number of up-to-date mills were built and modern machinery was installed in several old mills, though the scheme of rationalization has been adopted only in the spinning departments.

[13] Report of the Royal Commission on Labor in India, 1931 (p. 27).

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WARTIME TRAINING SCHEMES

The greatest drawback to the industrial development of India is the scarcity of technical and skilled labor, which is due mostly to the lack of facilities for technical training. Until recently, technical training was imparted by only a few educational institutions. In addition to the professional schools and colleges such as those of law, medicine, agriculture, commerce, forestry, and veterinary science, there are also technical schools and colleges. In 1937–38 these technical schools numbered 567 and had 35,794 scholars.[14]

The industries themselves are a more important factor in technical training. Some of them impart practical training which is often supplemented by courses in technical schools. The common method of training employees is through personal study and help from colleagues and supervisors. There are also evening classes or part-time courses, and some Government departments have organized such classes primarily for workmen in Government factories and workshops. Most of the mills in the Bombay Presidency employ apprentices for training. Coal mines have organized lectures and classes at various centers and also maintain a school of mines at Dhanbad for higher instruction in mining, engineering, and geology. The railway workshops have a system of apprenticeship for both workmen and foremen. The Tata Iron & Steel Co. maintains a technical institute for theoretical and technical training, and also supports a technical night school for the education of the workmen of the company and of the associated companies.

The most important step in training workers in modern industrial technique has, however, been undertaken by the Government of India. With a view to training new men in war industries, the Government of India appointed a Technical Training Enquiry Committee in June 1940 and on its recommendation developed a scheme of technical training. The first proposal was for the utilization of 16 technical institutions and the training of some 3,000 men in different trades by intensive training for 8 to 12 months. The scheme was revised in November 1940, increasing the training capacity to 15,000 men both in educational institutions and in factories and workshops. This scheme was revised again in 1941 and the period of training was reduced to 4 months in some instances. By the end of 1942, there were 350 training centers with facilities to train 35,000 workers. The Department of Labor, which is directly in charge of these schemes, aims at providing a total seating capacity of 46,000 workers with a view to training from 50,000 to 60,000 workers annually. By the end of 1942, 16,000 workers had completed their courses and about 33,000 men were under training. It was expected that by March 1943 a total of 70,000 workers would be trained.[15]

In addition, the Air Force Department and Ordnance Factories have also developed their own schemes for training workmen and foremen. Part of the Government scheme has also been undertaken by the Tata Iron & Steel Co. Ernest Bevin, British Minister of Labor, also developed a scheme in November 1940 for training Indian workers in British factories and workshops. Under this scheme, about 50 workers (10 percent of whom are students from technical schools)

[14] Statistical Abstract for British India, Delhi, 1940, table No. 56.
[15] International Labor Review (Montreal), May 1943, June 1943.

are sent to England in groups for 6 months' training. By the end of 1942, 150 trained workmen had returned to India. According to a tentative decision, the Technical Training Scheme would be continued for a period of 18 months after the conclusion of the war, to help in supplying trained and skilled workers to the rising industries.

Health and Safety Measures

Provisions for sanitation vary from industry to industry. Owing to their location on hillsides and in forests and to the lack of adequate sanitary arrangements, most of the plantations were unhealthful in the beginning. Great improvements have recently been made on larger plantations, but much still needs to be done on the smaller ones. Although the coal mines generally are shallow and the interior passages are spacious, permitting sufficient ventilation, the lack of adequate sanitation is indicated by the prevalence of hookworm and other diseases from which a vast number of coal miners suffer. Above ground and in the living quarters, however, sanitation has been greatly improved and boards of health have been established at both Asansol and Raniganj. In larger and newer factories sanitary conditions are quite satisfactory and compare favorably with those in advanced countries; but in smaller factories, and especially in those not regulated, they require much improvement.

The question of industrial safety has become more and more important in India, with the increasing use of machinery and mechanical power. The need for improvement in safety provisions is indicated by the fact that considerable numbers of industrial accidents occur every year. The first Factories Act of 1881 contained provisions requiring various measures to be taken for the safety of workers in factories, and these provisions have been extended and elaborated in successive amendments to the act by the Government of India, as well as by the supplementary and elaborate rules issued by the Provincial governments.

Safety in mines is also one of the main objectives of Indian mining legislation. The Mines Act of 1923, for instance, empowers the Governor General in council to make regulations providing for the safety of mine workers. In spite of a large number of fatal accidents, especially in the collieries, there has been great progress in the prevention of accidents in mines.

The most recent safety measures in the transportation industries are those provided for the dock workers engaged in handling cargoes, especially in the ports of Bombay and Calcutta. The Governor General in council has been granted powers to make regulations to safeguard the dock workers from most of the occupational risks against which the Revised Conventions of the International Labor Conferences requires protection.

Social Insurance

Workmen's compensation for industrial accidents is the most important social-insurance measure in India. In spite of gradual improvement in protective measures large numbers of accidents occur every year, amounting to 36,006 (1939) or 20.36 per thousand workers in factories, 1,757 (1940) or 5.32 per thousand workers in mines, and 17,616 (1940–41) or 24.11 per thousand employees on railways.

Data on the compensation paid for industrial accidents are available only in the case of factories. In them the number of accidents increased from 11,371 in 1925 to 35,065 for the year 1938. This increase is accounted for mostly by minor accidents or temporary disablements, which increased from 10,371 in 1925 to 32,272 in 1938, partly because of the improvement in the method of registration of accidents and partly because of the increasing desire on the part of the workers to record their injuries, however slight, in the hope of receiving compensation. The total number of industrial accidents for which compensation was paid in 1938 was 35,065 and the amount of compensation paid amounted to Rs.1,432,723 or an average of Rs. 40.9 per accident. The distribution of accidents and compensation is indicated in table 4.

TABLE 4.—*Industrial Accidents and Workmen's Compensation in British India, 1938*[1]

Result of accident	Accidents			Compensation			
				Adults		Minors	
	Total	Adults	Minors	Total amount	Average per person	Total amount	Average per person
				Rs.	*Rs.*	*Rs.*	*Rs.*
Total	35,065	35,022	43	1,432,165		558	
Deaths	803	802	1	610,436	761	200	200
Permanent disability	1,990	1,987	3	471,391	237	204	68
Temporary disability	32,272	32,233	39	350,338	11	154	4

[1] Data are from Workmen's Compensation Statistics for 1938, Government of India, 1940.

Another kind of social insurance which has been introduced in India is maternity benefit. Some kind of maternity benefit had long existed in several industries, e. g., in the tea gardens of Assam and Bengal, but this voluntary system was found to be quite insufficient and ineffective in times of trade depression. Since 1929, maternity-benefit measures have been enacted by several Provinces such as Bombay, the Central Provinces, Madras, the United Provinces, and Bengal, and have also been adopted by Delhi and Ajmer-Merwara. In 1936 the women deriving such benefit numbered 572, receiving an average of Rs. 17.16 per person in the Central Provinces and Berar; 946, an average of Rs. 22.42 per capita, in the Madras Presidency, and 4,310, an average of Rs. 24.16 per capita in the Bombay Presidency.[16]

Hours of Work

The working day in organized industry in India originally lasted from sunrise to sunset. By a series of legislative measures beginning in 1881, this long day has been reduced in factories and mines, and limited on railways and, to a certain extent, on board ships, in motor transportation and in workshops, stores, and commercial enterprises. Moreover, rest intervals, weekly holidays, and regulation of spread-overs and overtime have also been provided for. The Hours of Employment Regulations for the railways have been gradually applied to the different systems and by January 1, 1941, all employees of the State-owned railways came within the scope of these regulations.

[16] Annual Reports on the Administration of the Factories Act in the respective Provinces for 1936.

Hours of work have been established in the following industries: In factories the hours of work for men may not exceed 10 per day and 54 per week in year-round factories, and 11 per day and 60 per week in seasonal factories; in both types of factories, women's hours are 10 per day and 54 per week and those of children, 5 hours a day. Working hours in mines are limited to 10 a day and 54 a week for both men and women for surface work; for men in underground work (prohibited for women), the hours are 9 per day and 54 per week. The law regulating hours of work on railways specifies that they should not exceed 60 a week on the average for a month for all employees except those whose work is essentially intermittent or involves long periods of inactivity; the hours of the latter should not exceed 84 hours a week. Working hours on docks have been fixed at 9 a day, but overtime is permitted up to a maximum of 3 hours on any one day and is paid for at the rate of time and a third. In motor transportation, no driver should be compelled to work for any continuous periods of more than 5½ hours, or for periods aggregating more than 11 hours in any period of 24 hours. In unregulated factories, (i. e., factories or workshops working without mechanical power, or employing fewer than 20 persons) some of the Provinces have certain limitations on working hours; thus, the Central Provinces Unregulated Factories Act of 1937 permits women and children to work only 9 hours and 7 hours a day, respectively.

Actual hours of work are much shorter than the maximums established by the various acts. For instance, in 1938, in the Jharia coal fields which employ the largest number of mine workers, the maximum actual weekly hours were 47 in underground work, 48 in open workings, and 52 for surface work. Similarly, 29 percent of the year-round factories employing men and 30 percent of those employing women worked 48 hours or less; 36 percent of the seasonal factories employing men and 43 percent of those employing women worked 54 hours a week or less.

Industrial Remuneration

WAGE FIXATION AND PAYMENT

The methods of fixing wages are different in different industries. On plantations, wages are generally fixed by the piece or task, but for certain operations time rates are also paid. In mines, piece rates are generally paid for underground work, the unit for coal cutters and loaders being the tub. Railway employees are paid time rates, by the day or by the month. In most other industries time rates are paid, but in building and construction work, as well as in the loading and unloading of ships, work is often done on a contract basis. Both piece and time work are found in the textile industries; of 211,359 men, 44,949 women, and 1,024 children employed in the cotton-mill industry in 1934, 45.6 percent of the men, 70.3 percent of the women, and 2.3 percent of the children were employed on piece work and the remainder on time work.

Until recently there were various methods of wage payment, but some of these have been substantially changed by the Payment of Wages Act, 1936. In practically all industries wages are now paid in cash and directly to the workers who earn them, and the employer or his responsible agent is charged with responsibility for this. There is

no uniformity in the length of the pay period in India. Under the Payment of Wages Act, no wage period may exceed 1 month, but in a large number of industries wages are also paid semimonthly, weekly, or even daily. In the jute mills of Bengal, for instance, almost all process workers are paid by the week. In the cotton mills, wages are generally paid each month in Bombay, Cawnpore and Nagpur, and each fortnight in Ahmedabad. In coal mines the pay period may be either 1 week or half a month. Wages on railways, whether rated monthly or daily, are paid by the month. Throughout India unskilled laborers are generally paid by the day.

Formerly, one of the defects of the wage system in Indian industries was the delay in payment. The majority of employers held up payment for varying lengths of time after the period during which they were earned. This long delay in payment necessitated the granting of advances against wages earned, and sometimes interest was even charged on these sums. The Payment of Wages Act, however, specifies that wages must be paid within 7 days after the period for which they are due in enterprises employing fewer than 1,000 workers, and within 10 days in other cases. Fines and other deductions from wages have also been brought under control. Moreover, the central Government and some of the Provinces have issued regulations governing attachment of wages for debt, imprisonment for debt, and intimidation and molestation for the recovery of debt.

RATES AND TRENDS OF CASH WAGES

There is a great variation in rates of wages, both by industry and by locality.

The rates and movements of wages on plantations are well illustrated by those of the Assam tea gardens from 1928–29, when rates were very high. These wages have gradually declined both because of the industrial depression and the lower cost of living. The trends of wages in the Assam Valley and Surma Valley are shown in table 5. Since the beginning of the war, in 1939, the rates must have increased but no data have yet become available.

TABLE 5.—*Average Monthly Wages in Tea Gardens in Two Divisions of Assam in Specified Years, 1923–24 to 1937–38* [1]

Year	Assam Valley			Surma Valley		
	Men	Women	Children	Men	Women	Children
	Rupees [2]	*Rupees* [2]	*Rupees* [2]	*Rupees* [2]	*Rupees* [2]	*Rupees* [2]
1923–24	11.32	9.55	5.30	8.80	6.96	4.71
1928–29	14.09	11.26	7.38	10.81	8.70	5.49
1932–33	11.79	8.94	6.42	7.42	5.30	4.16
1933–34	7.47	5.88	4.23	5.39	3.74	2.64
1935–36	6.82	5.65	4.01	5.81	4.01	2.85
1937–38	7.11	5.81	4.21	6.15	4.26	2.95

[1] Data are from Industrial Labor in India (International Labor Office, 1938) and Annual Report on the Working of the Tea Districts, Emigrant Labor Act (1932), 1937–38.
[2] Exchange rate of rupee varies; in 1938 it averaged 36.59 cents; present rate, about 30 cents.

The average monthly rates of wages of all workers in mines are obtained by dividing the total amount paid in wages during the month by the average daily attendance. Earnings vary considerably. In the Jharia coal fields, employing the largest number of mine

workers, daily earnings of miners dropped from Rs. 0.89 in 1927 to Rs. 0.59 in 1938, unskilled workers' earnings from Rs. 0.61 to 0.47 and women's from Rs. 0.55 to 0.32 (table 6). Daily earnings of loaders and skilled workers varied from Rs. 0.67 to 0.52 and Rs. 0.73 to 0.67 during the same years.

TABLE 6.—*Average Daily Earnings of Underground Workers in Jharia Coal Fields in December of Specified Years* [1]

Year	Miners	Loaders	Skilled workers	Unskilled workers	Women
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*
1927	0.89	0.67	0.73	0.61	0.55
1931	.72	.72	.75	.53	.47
1932	.61	.53	.67	.38	.41
1935	.48	.39	.95	.42	.33
1938	.59	.52	.67	.47	----

[1] Data are from Industrial Labor in India (International Labor Office, 1938), p. 258.

Average earnings of different grades and occupations of railway employees are shown in table 7. As it indicates, about four-fifths of the employees receive an average of Rs. 23 a month.

TABLE 7.—*Earnings of Railway Employees in India, 1940–41* [1]

Class of employees	Number	Percent of total	Total annual pay roll	Per capita earnings	
				Annual	Monthly
			Rupees	*Rupees*	*Rupees*
All classes	666,365	100.0	[2] 354,968,355	532	44
Gazetted officers	1,670	.3	30,247,371	18,112	1,509
Subordinates, with monthly salaries of—					
Rs. 250 or over	7,618	1.1	39,415,726	5,174	431
Rs. 30 to 250	124,503	18.7	137,919,009	1,108	94
Under Rs. 30	10,007	1.5	2,877,649	287	24
Daily rated labor staff of lower ranks	522,567	78.4	144,438,454	276	23

[1] Data are from Report by the Railway Board on Indian Railways, 1940–41, Vol. II, pp. 250–56. (Excludes Jodhpur, Mysore, and Nizam State Railways.)
[2] Not the exact sum of the items, but as given in source.

Average earnings of factory workers in the Bombay Presidency in 1934 are shown in table 8. The average monthly earnings ranged from Rs. 21.59 in establishments producing oils, paints, and soaps to Rs. 39.24 in engineering workshops.

TABLE 8.—*Average Monthly Earnings in Manufacturing Establishments in the Bombay Presidency, May 1934* [1]

Industry	Number of persons employed	Average percent of attendance	Average daily earnings	Average monthly earnings
			Rupees	*Rupees*
Engineering	46,039	85.8	1.71	39.24
Printing	8,604	91.9	1.39	34.34
Textiles	256,308	----	1.10	28.70
Matches	5,468	----	.87	22.60
Oils, paints, and soaps	[2] 3,103	82.9	.83	21.59

[1] Data are from General Wage Census, Bombay Government Labor Office, 1937, Parts I and III, 1936. 1937. Calculated from daily rates on basis of 26 days to a month.
[2] Adults only.

The trend of earnings (including cost-of-living allowances) in the cotton mills of Bombay during the 28 years from 1914 to 1942 is shown in the following tabular statement. On the basis of earnings of May 1914 as 100, average monthly earnings had increased by 111 percent by 1926, from which point they declined considerably during the depression years. By the end of 1939, however, earnings had reached and passed the 1926 level, and from that point through July 1942 they continued to rise, reaching a level nearly 3 times that of 1914.

	Average monthly earnings (in rupees)	*Index (May 1914=100)*
May 1914	16. 38	100
May 1921	30. 63	187
August 1923	32. 75	199
July 1926	34. 56	211
December 1933	27. 88	170
October 1934	29. 00	177
July 1937	28. 44	173
February 1938	32. 13	196
December 1939	35. 38	216
August 1941	38. 19	233
January–June 1942	40. 25	246
July 1942	47. 13	288

BONUSES AND PAYMENTS IN KIND

Besides the regular wages, the earnings of Indian workers are supplemented by special bonuses and various indirect payments which must be taken into consideration in calculating workers' total earnings or incomes. Special bonuses are not paid in mining (except to the supervisory staff) nor in engineering, in the Bombay Presidency. They are, however, paid on the plantations of the south, as in Nilgiris and Coorg. Profit-sharing bonuses, or bonuses for attendance or for quality of work have long been paid in some industries. This has been very common in the cotton mills of Bombay and Ahmedabad. Another important form of bonus is the allowance to compensate for increases in the cost of living, discussed in the following section.

The practice of paying part of the worker's remuneration "in kind" is very widespread in India. Payment in kind generally includes such items as land for cultivation on plantations, free or cheap housing, supply of grain and other necessaries at wholesale or reduced prices, free fuel, and medicines. Miners are allowed a certain quantity of coal for domestic use and railway workers receive free quarters, uniforms, and other clothing. The payments in kind are greatest on the plantations. In the Assam tea gardens they used to form a part of the legal requirements for the protection of the workers under the contract system, and consisted of free housing, medical treatment and firewood, interest-free advances on wages, free grazing for cattle, and land for cultivation either free or at an economic rent. In 1938, the total area of land held by the Assam tea-garden workers amounted to 185,897 acres.

WARTIME WAGE ADJUSTMENTS

As war conditions have led to increased prices, employers have in many cases either increased wages or have granted special cost-of-living allowances. Most of the mills, especially in the Bombay Presidency, continue to reckon earnings on "basic" rates prevailing in

August 1917, to which they add cost-of-living allowances. Some of the industries, including the coal mines, have granted increases in wages, averaging about 10 percent.

On the demand of the G. I. P. Railway employees, an investigation was made by a court of inquiry, which found that the cost of living had increased from 11 to 15 percent for different classes of general consumers and wage workers. As a result of its study, the court established three different "subsistence levels"—Rs. 35 per month for the city of Bombay, Rs. 30 per month for the other towns, and Rs. 25 for the rural districts. It recommended certain rates of allowance which have been granted in most cases.

Some of the measures taken in the various industries to meet advances in the cost of living are noted below:

Some 70,000 mill workers in Cawnpore received an increase varying from 9.38 percent to 12.5 percent of their monthly wages in July 1941, and a further increase of 6.23 percent under certain conditions in July 1942.

An increase of amenity allowances from 1 rupee per month to 0.75 rupee per week was agreed upon by the Jute Mill Association when it recommended a reduction of hours of work from 60 to 54.

Members of the Bombay Millowners' Association gave increases in the rates of wages by from Rs.4.5 to Rs.9, for a period of 26 working days.

The Ahmedabad Millowners' Association granted an increase of 45 percent as from July 1941 to 100,000 workers.

The Sholapur and Bombay cotton-textile mills granted a war bonus of 12.5 percent of the total wages for 1941 to all workers, in addition to the cost-of-living bonus.

A cash bonus of 16.6 percent of the total basic earnings for 1942 was authorized by the companies which are members of the Bombay Cotton Millowners' Association to all their workers.

Employees of the State-managed railways were given increases varying (according to the monthly earnings) from Rs.2 to Rs.4.5 a month. A grant of 1 month's extra pay was made by the Calcutta Corporation to all workers receiving up to Rs.200 a month on August 12, 1942; this was the second such grant made by this organization.

Dockers in Bombay received a 10-percent increase in wages from August 3, 1942, but the present rate is only Rs.2 per day.

Employees of several British Provincial governments (Madras, Bombay, Orissa, the Punjab, Sind, and the Northwest Provinces) were granted a bonus and this example was followed by several of the Indian States.[17]

Cost and Standard of Living

Accurate information on living standards in India is rather rare. Data are available for some industrial cities (Bombay, Ahmedabad, and Sholapur) in the Bombay Presidency, and a few studies have been made for certain other cities, such as Calcutta, Madras, Jamshedpur, and Cawnpore. Owing to differences in method and date, however, the figures given in these studies are not comparable. Moreover, most of the studies were undertaken about a decade or so ago and no reliable data of recent years are available.

INCOME AND EXPENDITURES

Studies of size of family indicate that the average family ranges in size from 4 (Ahmedabad) to 5.78 (southern railway) persons. The Indian family, however, includes, in addition to the natural family—father, mother and children—other relatives who, even though not

[17] International Labor Review (Montreal), December 1942 (p. 727).

living under the same roof, are dependent for their livelihood upon the earnings of their relatives in industrial centers. The majority of the families have one earner, but a study of budgets in different centers revealed that the number of families having one earner varied from 36 to 78 percent, the number having two earners from 18 to 53 percent, and the number having three earners from 7 to 46 percent.

The average family income and expenditure in several important industrial centers are shown in the accompanying statement. On the basis of certain limited studies [18] it appears that both income and expenditure are twice as high in Bombay as in Cawnpore:

	Average monthly income (rupees)	*Average monthly expenditure (rupees)*
Bombay (1930), 85 budgets	55. 05	55. 56
Ahmedabad (1926), 872 budgets	44. 44	39. 35
Calcutta (1930), 125 budgets	34. 43	32. 09
Madras (1930), 79 budgets	33. 80	32. 59
Cawnpore (1930), 729 budgets	25. 53	24. 90

The percentage distribution of the family expenditures for the various budgetary items in the different localities is presented in table 9.

TABLE 9.—*Percent of Expenditure of Workers' Families in Specified Localities in India, by Consumption Group* [1]

Locality	Food	Clothing	Rent	Fuel and light	Household requisites	Miscellaneous	Total
Bombay (1930)	57.1	7.3	10.6	7.1	3.1	14.7	100.0
Ahmedabad (1926)	57.9	9.5	11.7	7.0	1.2	12.7	100.0
Calcutta (1930)	64.9	7.5	4.7	7.1	1.7	14.0	100.0
Madras (1930)	60.7	3.8	8.3	7.5	.3	19.3	100.0
Cawnpore (1930)	48.1	7.4	8.8	6.0	1.8	27.9	100.0

[1] Data are from Industrial Labor in India (International Labor Office, Geneva, 1938).

Except at Cawnpore, more than half of the total expenditure of the family budget was for food alone. By far the largest amount of money was spent for cereals, including rice, wheat, jowar and bajra (two of the Indian millets), or a combination of any two of these products. Considerable numbers of Indian workers, especially the Hindus, are vegetarians and live mostly on cereals, pulses, ghee (clarified butter), and sweetmeats. Mohammedans eat both mutton and beef; beef is a prohibited food for the Hindus, although some of them take mutton. Fish is the chief protein food in Bengal and Madras. Milk is used by all classes of workers wherever it can be had, but it is costly, and pure milk is rarely available in the cities.

Next to food, the most important items are clothing and housing. The monthly rent amounted to less than Rs. 3 for 65 percent of the families in Sholapur (1925), to less than Rs. 6 for 66 percent of the families in Ahmedabad (1926) and to less than Rs. 7 for 62 percent of the families in Bombay (1930). Because of the climate, expenditures on dress is not a heavy item as in European countries. Men, as a rule, do not clothe the upper part of their body, and most of the men and women go barefooted. Fuel and light form the next largest

[18] Industrial Labor in India (International Labor Office, Geneva, 1938), p. 280.

item in the budget. The fuel required is mostly firewood for cooking, while, for lighting, kerosene or some vegetable oil is generally used. Household requisites are few in number, consisting of cots, mats, mattresses, blankets, pillows, cooking pots, and a few pieces of simple furniture.

Miscellaneous expenditure covers a wide range of items such as hair oil, washing soap, tobacco, betel (a kind of leaf for chewing), liquor, medicine, school, travel, amusements, remittances to absentee members of the family, and interest on debts. The item, "traveling expenses," usually refers to the cost of the worker's travel between his native place and his place of work. Most workers (and their family members, in some centers) receive free medical care from their employers; there is also a certain amount of personal expenditure for this purpose. Expenditure on schooling for the children is rather a small item in the family budget, and the same holds true for recreation, owing both to the lack of facilities and the low income level. A considerable part of income, amounting to 10 or 12 percent, is spent on drink, especially by the families in the lower strata of Hindu society. "The consumption of drink, or particularly of spirituous liquor," observed the Royal Commission on Labor, "may be said to be a feature of the majority of industrial areas and has created considerable havoc in some of them." The Mohammedans are, however, prohibited by their religion from drinking alcohol. Remittances to relatives are an important item of expenditure, since by far the largest number of Indian workers are migrants and leave some members of their families in their native places.

Payment of interest on debts is a heavy expenditure among almost all classes of industrial workers in India. According to the inquiries of the Bombay Labor Office, in 1921–22, about 47 percent of the families in Bombay City and 61 percent of the families in Sholapur were in debt. In many cases the son inherits the indebtedness of his father, but the most important cause of indebtedness is expenditure for marriages, funerals, festivals, and anniversaries. The burden of debt is aggravated by the excessive interest rates which most workers have to pay, ranging from 9 to 15 percent on money loaned against jewelry, from 15 to 24 percent in the case of promissory notes and mortgages, and from 37.5 to 150 percent in the case of short-term "hand loans" (without documents). Interest payments are, therefore, a heavy burden on the family; they ranged from 2.77 percent of the total family expenditure in Bombay (1921–22) to 6.65 percent in Sholapur (1925).

HOUSING CONDITIONS

Organized industries have usually developed in large towns, although in some cases they have formed the nucleus of new cities. Limitation of space, high land prices, and the lack of any plan or control are responsible for much of the congestion and overcrowding in large cities. Subletting, a common practice among workers' families, is another cause of overcrowding.

The housing accommodations of workers in large organized industries are chiefly supplied by employers, by public or semipublic bodies, and by private landlords. Almost all the plantation and mine workers are housed by their employers. The general policy adopted by the Government, the railways, and the municipal factories is to provide

quarters when funds permit or wherever the housing provided by private enterprise is not adequate. Thus, the S. I. Railway workshops have provided 3,426 dwellings for their workers, at rents not exceeding 10 percent of their wages, and the Bombay Port Trusts have set aside 136 tenements for their workshop staff. Numerous factory workers are housed by their employers. The cotton-mill employers in Bombay have provided 3,887 tenements for their workers. The public chawls [19] of Bombay, now under the control of the Public Works Department, accommodate 63,000 workers. By far the largest number of industrial workers live, however, in dwellings rented from private landlords.

Most of the dwellings available for the workers in industrial towns, especially those rented from private landlords, lack even such sanitary arrangements as drinking water, latrine, light, and ventilation. Overcrowding is common in the tenements, most of which have only one room. Of 13,189 tenements provided by the cotton-mill industry of the Bombay Presidency, 11,332 (about 86 percent) had one room and only 1,866 (14 percent) had two or three rooms. An inquiry covering 5,363 families in Bombay City in 1930 showed that nearly 60.0 percent of the buildings surveyed had only one window per tenement, 26.0 percent had two windows, and 4.5 percent had no window. In 89.3 percent of the buildings, one toilet was provided for the use of from 1 to 8 tenements, in 8.4 percent one for 9 to 15 tenements, and in 1.6 percent one for 16 tenements or more; 0.7 percent lacked any toilet facilities whatever. Similarly, one water tap supplied 1 to 8 tenements in 25.7 percent of the buildings, 9 to 15 tenements in 40.4 percent, and 16 or more tenements in 33.0 percent; 0.9 percent of the buildings were without even one water tap.

As would be expected, in view of the insanitary and overcrowded housing conditions, the rate of infant mortality is high.

With a view to improving housing conditions of industrial workers, the Royal Commission on Labor in 1931 made a large number of recommendations on such matters as the survey, lay-out, and development of urban and industrial areas, the establishment of minimum standards for floor space and cubic space, ventilation and lighting, water supply, drainage and latrines, architectural plans for working-class houses, Government subsidies to employers for undertaking housing schemes, and the encouragement of cooperative building societies. Thus far, the principal measure taken by the Government of India to implement these recommendations was an amendment to the Land Acquisition Act of 1894, to provide facilities for employers to acquire land for housing projects.

WARTIME COST OF LIVING

The standard of living of industrial workers in India is not only extremely low, but has been very adversely affected by the rise in prices since the outbreak of the war. In the first few months of the war, prices increased by one-third and the wage level was stabilized in March 1940 at a level about 19 percent higher than that of March 1939. Since then the cost of living has increased considerably, as indicated from the movement of wholesale prices of certain commodities in Calcutta (table 10), although retail prices fluctuate more widely than the wholesale prices. There has been a great increase in the prices of all commodities.

[19] In Hindu, "chawl" means literally house; but, in Bombay, chawls are 2- or 3-story tenement houses.

TABLE 10.—*Index Numbers of Wholesale Prices of Selected Articles in Calcutta*[1]

Period	Average, all commodities	Cereals	Pulses	Sugar	Tea	Other food articles	Cotton manufactures
1914 (end of July)	100	100	100	100	100	100	100
1938: Annual average	106	72	88	132	130	109	106
1939: Annual average	120	86	99	164	142	125	106
1940: Annual average	129	99	101	157	149	146	122
1941: Annual average	154	112	105	145	202	178	179
1942: Annual average	212	158	162	209	240	298	[2] 180
1943:							
January	298	260	238	258	299	434	----------
February	311	266	280	260	246	444	----------
March	319	334	309	298	199	457	----------
April	331	375	307	280	189	505	----------

[1] Data are from The Indian Trade Journal, May 13, 1943, and previous issues.
[2] For 3 months only.

The importance of price control was realized by the Government of India from the very beginning of the war, but no effective measures were undertaken. After a long delay, the Government called a Food Production Conference in April 1942, issued a food-control order on May 21, and appointed a Central Food Advisory Council, which had its first meeting at New Delhi on August 24 and 25, 1942. The Council recommended the following: (1) The extension of price control to cover all the staple grains which are competitive; (2) the creation of a single agency for the purchase of the requirements for the army and the "deficit" areas, and the delegation to this agency of a monopoly of available rolling stock for the movement of foodstuffs; and (3) the extension of food control to cover retail prices and the fixation of permissible margins.

The fundamental cause of the rise in the prices of foodstuffs and other commodities is the lack of supply to meet the increasing demand of such goods, especially under war conditions. Among the measures undertaken to meet this situation the following should be mentioned:

(1) Increased production of food, especially rice. In 1938–39,[20] 1,281,000 tons of rice were imported from Burma; the blocking of these imports has caused a great food shortage in India.

(2) Better distribution of foodstuffs by increasing transport facilities. The Government of India decided early in August 1942 to grant a fortnight's priority in railway transportation for the movement of food grains. This facilitated the transport of several shipments of wheat from the Punjab and of substantial quantities of rice from the Madras Presidency to Bombay.

(3) The establishment by the Government of food stores in different industrial areas, where the workers may buy food at very moderate prices. Foodstuffs have been stored at munitions plants and other industrial establishments in the Calcutta area and also at the Jamshedpur and Burnpur steel mills. Nearly all the industrial establishments in India maintain stores where grain may be bought at cost. In 1942 there were 61 such shops in the Bombay mill area.

Industrial Welfare

The economic and social backwardness of the working classes in India has made welfare work very desirable. Welfare work measures

[20] Review of the Trade of India in 1938–39, p. 20.

have already been introduced by large enterprises such as the Tata Iron & Steel Co. at Jamshedpur, the British India Corporation in Cawnpore, and the Buckingham and Carnatic Mills in Madras. Most of these measures relate to improvement of sanitation, comfort and safety, provision of nurseries, construction of suitable dwellings and even model villages, the creation of clinics and maternity and child welfare centers, the opening of day and night schools for boys and girls, and the provision of playgrounds, athletic and dramatic clubs, libraries, and reading rooms.

Excellent medical and first-aid facilities are provided by most of the larger engineering establishments owned by the Government, municipalities, railways, public bodies, and public-utility companies. The majority of the textile mills are also provided with well-equipped dispensaries and part-time doctors. Mining industries have established health organizations at Asansol and Ranigunj for the benefit of their workers; these bodies are also charged with provision of measures for maternity and infant welfare. The plantations, especially in the Surma Valley in Assam, have greatly improved the health conditions of their workers. Several semipublic organizations, such as the Port Trusts and municipalities in Bombay, have undertaken welfare work for their employees. Private organizations for social welfare work are comparatively few in number. The only organization worth mentioning is the Social Service League, organized by the Servants of India Society, which is devoted to elevating the moral and material conditions of the workers.

The most important steps for increasing recreational facilities have been those of the Government of Bombay. In pursuance of its policy for the amelioration of conditions of industrial labor, the Government of Bombay is expanding the activities of its Labor Welfare Department. Several large and small recreation centers have been started in Bombay City, Ahmedabad, Sholapur, and Hubli. Among the facilities provided are indoor and outdoor games, gymnasiums, libraries, lectures, plays, motion pictures, art exhibitions, music, classes in literacy, etc. Woman teachers have been engaged to give lessons to woman workers in sewing, knitting, and similar subjects. The Government has introduced other schemes of labor welfare. In 1941–42 the sum of Rs. 65,000 was earmarked for building gymnasiums in Bombay and Ahmedabad and for installing shower baths and circulating libraries in various industrial centers.