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LABOUR ON MARCH

FOREWORD
BY
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LABOUR ON MARCH

Foreword

In this little book are brought together a selection of articles on the different aspects of the problems of Labour published in the JANATA, the weekly organ of the Socialist Party. The articles are not merely strung together but woven into a common fabric that illustrates effectively the manifold patterns of Labour's hopes, fears, dreams and endeavours in the fateful times we are living in.

These articles, written by persons with expert knowledge and intimate experience of the subject matter, light up the Problems of Labour as few other books have done. No serious student of the Working Class Movement in our country can afford to miss this publication.

Asoka Mehta

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CHAPTER 1

FUNDAMENTAL RIGHTS

The fundamental rights of the working class Indian are sought to be preserved in the Draft Constitution in Articles 31, 32 and 33 (in the Directive Principles of State policy). The articles state:—

(31) The State shall, in particular, direct its policy towards securing,

- I. That the citizens, men and women equally, have the right to an adequate means of livelihood;
- II. That the ownership and control of the material resources of the community are so distributed as best to subserve the common good;
- III. That the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment;
- IV. That there is equal pay for equal work for both men and women;
- V. That the strength and health of workers, men and women and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;
- VI. That childhood and youth are protected against exploitation and against moral and material abandonment.

(32) The State shall within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in case of unemployment, old age, sickness, disablement, and other cases of undeserved want.

(33) The State shall make provision for securing just and humane conditions of work and for maternity relief.

These "principles" are certainly high sounding. But in societies like ours where the economic hiatus between the working class and the exploiting is so wide will directive principles be enough? The only specific provision of fundamental law that attempts to maintain the rights of workers is the one that guarantees to them the right to form "unions and associations". The Socialist Party's draft constitution discussing this provision and the fundamental rights carried in the "Directive Principles" states:—

"The right of association, which is proposed to be guaranteed to all citizens, will surely entitle workers to form unions of their own for protection and promotion of their economic interests and general welfare. This perhaps led the Constituent Assembly not to make any particular provision with regard to the formation of trade unions. But a more amplified guarantee in regard to trade unions is needed, specially because peasants and workers, who constitute the bulk of the Indian society, cannot protect their economic interests except through unions and because employers all over the world have tried to deprive, through various indirect ways, workers of the benefits of the right of association. The development of their organisational capacity will promote the growth of democratic life in the country and deserve encouragement.

"The constitution must, therefore, definitely lay down as a separate proposition:

"To ensure protection against economic exploitation and the development of organisational initiative amongst them, peasants and workers are guaranteed the right to unite into public organisations, trade unions, Kisan Sabhas, co-operative societies as well as social, cultural and technical associations.

“The State shall encourage them in their organisational activities. All agreements between employers and employees which attempt to limit this freedom of association or seek to hinder its exercise shall be illegal.”

I.L.O.'S VIEW

Mention of Trade Unions or detailed description of the individual and collective rights of workers are not improper to basic law in constitutions. Even such a conservative body as the I.L.O. supports elaboration of constitutional provisions with a view to secure rights for workers thus:—

“Democratically controlled trade unions have an essential part to play in achieving these objectives. The right to organise democratically without interference by employers and to bargain collectively through representatives of his own choosing are essentials without which, in an industrialised society, the worker is at an impossible disadvantage and the orderly development of satisfactory industrial relations unattainable. In large-scale industry wages and other conditions of work are normally governed by either collective agreement or some form of State regulation, and the method of collective agreement permits of greater flexibility, readier adaptation to changing needs and more industrial self-government than that of legislative regulation. Basic standards, the essential character of which is that they are designed to be universal and permanent, are rarely adequately established by collective agreements; such agreements must therefore be regarded as supplementary to and not as a substitute for basic labour legislation, but subject to this limitation they constitute one of the main instruments for implementing in the relations between employer and employed the objectives set forth above. Increasingly in modern times the trade unions, and the corresponding organisa-

tions of employers, have been called upon, to discharge, in addition to their primary functions, wider responsibilities—to advise in the preparation of social legislation, to participate in its administration, to collaborate in the formulation and execution of economic policies, and to share in the organisation of national defence. The recognition of the right of labour to organise and the right to bargain collectively, therefore, find their appropriate place in constitutional declarations of policy which might also include some allusion to these developing responsibilities.”

WESTERN COUNTRIES

Let us examine some modern constitutions to find out where and how working class rights have been secured in constitutions.

In Austria the constitution provided, (before the War) that “Vocational training and engagement in the various occupations shall be governed by the law and by the rules of the public industrial organisations which are issued in pursuance of the law.”

In Danzig (Free city) constitution it was stated:—
“Freedom of association for the purpose of guaranteeing and promoting the interests of labour and industrial conditions shall be assured to every man and to every occupation. And conventions or provisions which attempt to limit or restrain such freedom shall be contrary to law.

“In order to promote health and efficiency for work, to protect motherhood and to provide against the economic consequence of old age, sickness, and the vicissitudes of life, including unemployment, the State shall provide a comprehensive system of insurance, in the drafting of which the insured shall have a determining influence.

“Workers and employees shall establish from amongst their number, separate trade councils for workmen and employees. These shall enjoy equal standing and shall co-operate with the employers in the regulation of ques-

tions concerning pay and labour conditions. Details will be determined by legislation.

“The organisations of both sides and their mutual agreements shall be recognised.”

In Finland the labour power of citizens “shall be under the special protection of the State.”

Germany in spite of its totalitarianist instincts in its pre-Hitler constitution mentioned “rights of labour, insurance and protection of workers and other employees, and employment exchanges” as subjects of special interest to the central Government. Further the constitution said: “The Reich shall adopt a uniform labour code. For the defence and amelioration of conditions of labour and of economic life, freedom of association is guaranteed to everyone and to all professions. All agreements and provisions which attempt to limit this freedom or seek to hinder its exercise are illegal. Any person who stands in service or work relationship as employee or worker, shall have the right to such free time as is necessary for the exercise of his civic rights and, in so far as the business in which he is engaged is not thereby seriously interfered with for the performance of the public honorary official duties assumed to him. The extent to which his claim to compensation shall be recognised will be determined by law.

“The Reich shall, with the controlling participation of the insured, established a comprehensive scheme of insurance for the conservation of health and of the capacity to work, for the protection of maternity, and for the amelioration of the economic consequences of old age, infirmity, and the changing circumstances of life.

“The Reich shall endeavour to secure international regulation of the legal status of workers to the end that the entire working class of the world may enjoy a universal minimum of social rights.”

Iceland where, we would have assumed there was no labour problem has a constitution which says: “Any one who is unable to support himself or his family, and

whose maintenance is not the obligation of any other person, is entitled to receive relief from public funds, but shall in this case be subject to such obligations as the law prescribes."

In Lithuania the power of human labour is protected and safeguarded by special laws. The State, by separate law, protects the workman in case of sickness, old age, accident, and when there is insufficient work.

Poland has a constitutional provision which categorically says:—

"Labour is the main basis of the wealth of the Republic, and should remain under the special protection of the State. Every citizen has the right to State protection for his labour, and in case of lack of work, illness, accident, or debility, to the benefits of social insurance which will be determined by a special statute."

The constitution of Switzerland asserts: "the Confederation will introduce, by means of legislation, accident and sickness insurance, regard being had to assistance funds in existence. It may declare participation in such insurance to be compulsory in general or as regards certain specified categories of citizens."

The Yugoslavian constitution provides for "the protection of workmen in case of accident, illness, lack of work, incapability, old age, or death, by special legislation. The rights of the workmen to organise for the purpose of improving working conditions is guaranteed. To navigation and fisheries will be given special attention. The welfare of the seaman in case of sickness, invalidity, old age, and death will be provided for by special law."

LATIN AMERICA

Latin America is no less meticulous than Europe. Bolivia for example has in her constitution the following:—

"The freedom of professional and labour organisation is guaranteed, and the collective labour contract is recognised. The right to strike is recognised, as a means

of defence for the workers, in accordance with the law. The law shall determine the system of participation by employees and workers in the profits of the enterprises. The State, by means of courts or special bodies, shall settle controversies between employers and employees or workers. The rights and benefits recognised by law as belonging to workers and employees may not be waived. Agreements to the contrary or agreements which tend to frustrate their purpose are *null* and *void*. Social assistance is a function of the State. The law shall set forth the conditions of this assistance. Statutory assistance is obligatory and may be enforced."

The Brazilian constitution says:—

..“The workmen shall have the right to a weekly rest on Sunday, and, when the technical requirements or needs of the company will allow, on civic and religious holidays in accordance with local tradition. After one year of uninterrupted service in a company, the worker shall have the right to an annual vacation with pay. In continually operating companies, the cessation of employment, to which the worker has not been the cause, and when the law does not guarantee him stability of employment, entitles him to a compensation proportionate to his years of service; a working day of eight hours, which may be reduced but can only be increased in the cases provided by law; night work, except in cases where it is done regularly by shifts, shall be remunerated with a rate superior to that of day work. The institution of old-age, invalidity, and life insurance and insurance for accident in line of duty.”

In Cuba it has been constitutionally provided that

“Every manual or intellectual worker of public or private enterprise, the Nation, Provinces or municipalities, shall be guaranteed a minimum wage or salary, which shall be determined in accordance with the conditions of each region and the normal needs of the worker, from a material, moral and cultural standpoint, and considering him as the head of a family.

“The method of periodically regulating minimum wages or salaries, by means of commissions on which employers and workers shall be equally represented, for each branch of labour, in accordance with the standard of living and the peculiarities of each region and each industrial, commercial or agricultural activity, shall be determined by law.”

The great powers, U.S.A., Britain and U.S.S.R., it is true, are less specific in the matter of mentioning working class rights in constitutions. This is so because in the two Anglo-Saxon countries liberal capitalism established certain conventions of charity and for feeling that a scientific enumeration of working class right invariably seemed to constitution makers as redundant. In Russia the “Workers’ State” itself posed as the greatest safeguard for working class rights. With better established political traditions and more awakened working classes such conventions as have been established by them may be enough for them; but, for India, where the working class has no political awareness and where the State as well as the private employers hitherto have been unashamedly exploitive in their outlook, Directive Principles and such like are certainly not enough.

The Constituent Assembly therefore should make every effort to elaborate fundamental rights in terms of specific provisions that will efficiently remove the handicaps from which our working classes suffer. The existence of Directive Principles in the Statute alone can be no guarantee for economic freedom and equality that the constitution is supposed to cherish.

CHAPTER 2

THE LIVING WAGE

THE definition of the minimum rate of wages for an Indian worker, according to the recently enacted law, includes a basic rate and a special allowance adjusted to accord with the variation in the cost of living index number. Applicable only to industries specified in the Minimum Wages Act, this has nevertheless been the principle on which arbitration authorities in India have generally computed the minimum wages for an industry or trade. The basic wage takes into consideration only certain elementary needs for a minimum standard of living, which is far below what can be considered a fair standard. This conception of the basic rate and its function is no longer sufficient for modern needs. The compensation paid in the form of 'cost of living allowance' is itself related to the basic wage, since the increases allowed are meant to offset the rise in the prices of commodities and services for which the basic wage, under normal conditions, provides. Trade union opinion in other countries is pressing for a broadening of the principles on which the basic wage is assessed.

Any formulation of the concept of fair wage—as of every other Industrial matter—will have to be based on the recognition of labour as a principal participant in production, along with capital. Even this can be only a make-shift view of the problem; for, the industrial resources of the country can be properly planned and developed so as to result in a continuously rising standard of living to the people, only under state management and control; capitalists being relegated to an ineffective, passive role if not entirely eliminated. Without public control, the problem cannot be finally solved. But even temporary and short-term measures are doomed to fail unless they involve a complete break from the commodity theory

of labour. Wages must be not the market price of a commodity but the due return for a participant in the productive process. Fair wage must, thus, become the first charge on industry.

THE LIVING WAGE

The concept of fair wage, though quite closely related to that of the living wage, must not be identified with it. The living wage is the absolute minimum which can assure to the worker the essentials of life. Investigations have been made into the costs of living of the average worker and figures have been arrived at, representing the living wage under given price-levels. These computations are based on certain assumed necessities of life which ought to be guaranteed to the worker. The whole concept has thus become a static one, representing a certain purchasing power. This does not provide for improving standards of the worker commensurate with any increases in the general standards. Nor does this provide for return to the worker commensurate with the progressive stabilisation of the foundations of the industry. An industry, after several years of successful working, does not only benefit through the profits made by working in those years, but gets established on a sound and stable footing. This benefit, over and above the profits, is monopolised by the capital of the industry in the shape of reduced risks. Labour, even if paid a living wage, cannot share this benefit accruing out of the stability of the industry. Any formulation of the fair wage must obviously provide for these factors, namely increasing standards and benefits from stabilisation of the industry.

So far as the Indian worker is concerned, both of these factors belong to the future. The basic question of a living wage, however, is urgent. His present wages are deplorably below this living wage. The immediate fair wage is for him the living wage. The Labour Minister of India was quite right when he said that an industry

which could not pay a living wage to its workers was not entitled to exist: for in such industries, while capital gets its return by way of profits, labour, the other participant in the process of production, does not get even the bare minimum for maintaining itself.

A VITAL CLAIM

This view of the claim for a living wage for labour is vital because, if it is not recognised, every other proposal made to improve industrial relations becomes a mockery. For, a living wage is the first condition that needs to be fulfilled if labour's status of co-partner is to be properly established, and such status, in its turn, is the pre-condition to the establishment and maintenance of industrial peace. Schemes, no matter how clever of bypassing this claim for a living wage through other allurements, will defeat their own purpose.

The worker feels that the present talk of profit-sharing is meant to divert his attention from the basic demand of living wage. That is why he is so suspicious of all talk of profit-sharing. His perfectly sound contention is that there can be no profits to share so long as he himself is denied even the minimum needed for living. The essential soundness of this contention is conceded in admittedly capitalist social orders like America and by the enlightened capitalist schools of thought like the British Liberal Party. They have clearly recognised that the order of priorities of the various charges on industry must be (i) fair wage to labour, (ii) fair return to capital, (iii) sharing of surplus profits. There can neither be excuses nor substitutes for a living wage.

EMPLOYERS' ARGUMENTS

The arguments advanced by interested parties against the immediate recognition and conceding of labour's claim for a living wage, are various. Excessive concern is shown for the widening gap between agricultural and industrial incomes. Warnings are sounded that the spiral of wages and prices will be accentuated.

Threats are given that industry will suffer for want of incentive to investors. Some employers go so far as to contend that since at the existing wages workers are not dead yet, the present wages are the living wages. Such arguments, to put it mildly, are irrelevant. They arise from the reluctance to recognise labour as a participant in industry. The remedy for the widening gap of agricultural and industrial incomes lies in increasing the purchasing power of the agriculturist, in the abolition of Zamindari, in planned schemes of regional development and irrigation, of middlemen and speculation in the distribution of agricultural produce, in fact in anything but artificial limiting of industrial incomes. The check on the price-wage spiral must come in the form of rational controls, planned production, distribution through co-operatives, not in that of inadequate wages.

The most pretentious argument against the living wage is, of course, the inability of the industry to pay. It may be that certain or several industries, to-day, are not capable of paying a living wage. But then they have no claim to operate as profit-making industries. Wherever an employer pleads inability to pay, he must automatically lose his right to profits. Any surplus of income over expenditure must go to raise the worker's income. Obviously no employer is ever likely to accept this. The alternative, equally obviously, is nationalisation of the industry and its running on a non-profit basis.

The U. P. Labour enquiry committee made an effort to fix a minimum wage. The Socialist Party of the Province has found this wholly inadequate. For the purposes of wages, the Committee has divided labour in the province into four categories unskilled, semi-skilled, skilled and highly skilled, with a separate category of clerks again divided into two sub-categories—undergraduates and graduates. The unskilled labourer is entitled to a minimum wage of Rs. 30 which means that no worker in any occupation in the United Provinces should be paid less than Rs. 30 as the monthly wage.

By itself, this wage will not mean a great increase over the present standard of living of the worker, with prices at their present levels. And though it has been stated that the recommendations of the Committee have the approval of representatives of both employers and labour, it is hard to believe that labour as a whole will find the recommendations to its satisfaction. There have been instances during the course of the inquiries when labour demanded minimum wages higher than what has been now decided, as in the case of the sugar factory workers whose representative convincingly argued that the industry could afford to pay a minimum wage of Rs. 100. The Central Pay Commission also laid down Rs. 30 as the minimum wage for its employees, but it specifically stated that under the existing level of prices, no employees should be paid less than Rs. 55 including dearness allowance. The Pay Commission's Report itself was not considered satisfactory, especially because of the wide disparity in incomes between the lower and higher classes of employees in State Service, though it did to a small extent, lessen the difference. The U. P. Enquiry Committee's recommendations make no claim to equity—as far as can be ascertained from press reports. The merits claimed for the recommendations are only that they will introduce if accepted, uniform minimum wages for workers in the province ("thus paving the way for a national minimum") and that the rates fixed by it compare favourably with the minimum wages prescribed in some industries in other provinces. Varying minimum wages have been prescribed in the textile industry in Bombay. In Bombay city the minimum is Rs. 30, in Ahmedabad Rs. 28 and in Sholapur Rs. 26. The minimum wage for workers in the textile industry in Madras was fixed at Rs. 26 by an Industrial Tribunal. But a comparison with these wages does not appear a proper method for judging the fairness of the minimum wage fixed by the Labour Enquiry Committee. The purpose of a minimum basic wage is not

merely to provide for the minimum standards of food, clothing and shelter necessary for bare living but also to raise the worker's standard of living to the maximum possible by the productive capacity of the nation. This consideration does not seem to have entered into the calculations of the U. P. Labour Enquiry Committee. Their sole concern appears to have been to assume a minimum wage, however inadequate, which industries precariously balanced between profit and loss, could afford to pay.

DEARNESS ALLOWANCE

For the purposes of dearness allowance, industries have been divided into three categories and allowance at the rate of 3 as., 2-1|2 as. and 2 as. respectively will be paid per point of increase in the cost of living index at pre-war level. This again is a confirmation that the labourer will have to satisfy himself with the conditions of living that he could afford, before war-time scarcity sent prices shooting up. What the dearness allowance will do is only to maintain that standard. Whether the rise in prices will be fully compensated for, depends on whether the base figure on which the cost of living indices are built, correctly estimates the normal expenditure of the worker.

PROFIT SHARING

The Inquiry Committee has also suggested a new method for calculating bonus payments. The profit sharing bonus has been linked to the dividend on the basis of two days' wages for one per cent. dividend. The effect of this condition will naturally be to lessen dividends, but it is common knowledge that in many industrial concerns, book-profits do not show the actual profits made. The rate of bonus fixed does not look very generous, for, occasions when a firm pays a bonus of a month's wages will be extremely rare because it will mean dividends as high as 15 per cent. On the other hand, in some recent disputes it has been found possible to sanction bonus equal to 1½ and 2 months' wages. Profits divided on the basis suggested will not

mean a tangible addition to the worker's wages. It only makes it more important that the demand for a living wage should be met first.

COST OF LIVING

What it actually costs an Indian worker to live and what are the minimum amenities he should enjoy have never been scientifically determined. The Government of India's efforts in this direction have been casual and insincere. The Government of India ordered a series of enquiries into working class living conditions to be made in 1943 when the character of the Government was entirely different from what it is now. Satisfying working class demands was not its main concern. Government had to prove that the worker was getting all that he needed and almost nothing more was necessary. An enquiry conducted with this idea in the background cannot be acceptable to a Government which at least claims that its objectives are different. The results obtained from these enquiries are wholly unreliable and a fresh enquiry must be immediately undertaken if the Government wants to impress the working class with its sympathy.

The Delhi worker is by no means the best paid among his class in India but he is generally regarded as above the average. Even so his standard of living is not one that can be taken as an example of a fair standard. He takes less food than the quantity prescribed for prisoners in the Delhi jail as regards cereals and pulses; and food accounts for about 61 per cent. of his total expenditure. He is scantily clad, lives in highly overcrowded one and two room tenements, and in spite of the statistical budget surplus, has little purchasing power left for use beyond the bare necessity level.

INCOME GROUPS *

The enquiries conducted by the Government of India covered the period from October 1943 to October 1944. The majority of the industrial workers in Delhi are employees in cotton mills; hence the largest number of

budgets collected relate to them. The data obtained from the enquiries can be regarded as applying to the average worker, only if the method of 'sampling,' adopted by Government statistican is capable of representing the entire working class. The largest number of budgets collected were between the income groups "Rs. 50 and below Rs. 60." There is no explanation in the Government report on the investigations, to show that these income groups are actually the average. An arbitrary selection of "samples" can certainly not yield an accurate report on general living conditions. While applying the results to present day standards it has also to be remembered that the cost of living has increased considerably since the period when budgets were collected. A considerable change in habits has meanwhile taken place. It is in the light of these considerations that the conclusions of the enquiry have to be studied.

* The number of budgets collected for the different income groups were as shown below:

Monthly income groups.		Number of budgets.
Below Rs. 30		9
Rs. 30 and below	Rs. 40	47
Rs. 40 and below	Rs. 50	101
Rs. 50 and below	Rs. 60	121
Rs. 60 and below	Rs. 70	95
Rs. 70 and below	Rs. 80	69
Rs. 80 and below	Rs. 90	42
Rs. 90 and below	Rs. 100	37
Rs. 100 and above		60
All incomes		581

THE WORKING CLASS FAMILY

The average worker's family in Delhi consists of 3.80 persons, excluding dependents living away from the family. This family is made of 1.25 adult men, 1.16 adult women and 0.84 male and 0.55 female children. For every such family there are 0.68 dependants, who

also share in the family income. The size of the family varies according to income, but this does not necessarily mean a greater number of children. In fact the percentage of children in families with incomes above Rs. 90 is lesser than in families with smaller incomes, excepting those with incomes lower than Rs. 40.

FAMILY INCOME

The average monthly income of a worker's family, on the basis of the budgets prepared comes to Rs. 66-4-11. The majority of the families included in the survey have an income of between Rs. 40 and below Rs. 70 per month. 90 per cent. of these families have an income of Rs. 40 and above. The family monthly income includes normal wages, pay for overtime work, money value of concessions in kind made by the employer, the monthly average of bonus or other payments, and income from personal sources if any, like house rent, agricultural income, income from cattle, casual work etc. But the income from sources other than the actual employment of the worker is almost negligible, forming only 0.33 per cent. of the total. The worker is therefore entirely dependent on his factory employment for his and his family's livelihood.

EXPENDITURE

The average worker in Delhi, according to the budget enquiry, is able to balance his budget leaving a small surplus of Rs. 5-11-5 per month. This is incredible, considering the circumstances in which the workers live. For one thing, the budget enquiries do not include all the commodities in common demand, though the majority of them are. Besides, the "average worker" with a monthly income of Rs. 66-4-11 is a statistical creation and in fact does not come within either of the income groups from which the greatest number of budgets were collected. The budget surplus is reduced to Rs. 2-13-5 if remittances to dependants and expenditure like interest on loans is taken into consideration.

Families in the first three income groups, i.e. with incomes below Rs. 50 are definitely unable to balance their budgets. The monthly deficit varies from 12 annas 6 pies in the case of the "Rs. 40 and below Rs. 50" group to Rs. 9-8-3 in the case of the "below Rs. 30" group. The income group "Rs. 50 and below Rs. 60" is left with a small margin of 9 annas and 7 pies, insufficient for a family of 3.51 persons. The excess of income over expenditure goes on increasing above this income group and in the case of families with incomes above Rs. 100, there is a surplus of Rs. 29-11-11. Among the budgets analysed, 31.84 per cent. had a deficit. The deficit was usually met by purchases on credit or through loans from friends and relatives.

FOOD EXPENSES

Of the total expenditure of the family 60.98 per cent. is on food, 8.84 per cent. on fuel and lighting, 6.35 per cent. on house rent, 9.13 per cent. on clothing and footwear, and 3.27 on bedding and household requisites. Miscellaneous items account for the remaining 11.43 per cent. of the total expenditure. Cereals is the most important item in the worker's food from the point of expenditure as well as quantity eaten. The average daily consumption of all cereals per adult consumption unit comes to 987 chataks or 20.30 ozs. The whole family's consumption of pulses is only 36 chataks per day. In these two respects, as well as in that of sugar of which the worker family's consumption per month is only 14.42 chataks, the consumption of an adult worker is distinctly less than the quantity prescribed for a labouring prisoner in the Delhi jail. The consumption of meat is extremely small, the quantity eaten being 1 seer and 12 chataks per month per family. Milk and milk products, though next in importance to cereals in the worker's food budgets, is taken in very small quantities, the average consumption per day being 1.34 chataks per consumption unit. Of the expenditure on these items ghee ac-

counts 3-4-10 per month and milk Rs. 2-9-8. The monthly expenditure on vegetables and fruit is only Rs. 3-10-3. The percentage expenditure on food in the worker's budget falls as the income increases.

Of the total family expenditure 8.84 per cent. is on fuel and lighting—mostly on firewood and kerosene oil.—9.13 per cent. on clothing and footwear and 6.35 per cent. on housing. The average monthly expenditure for clothing and footwear for the entire family is Rs. 5-8-6. The size of this sum indicates how poor a standard of clothing is meant when the statistician says “the average worker's family is scantily clad.”

As regards housing, the enquiries show that the average floor space available per person is 55.4 square feet—an area less than a square enclosed by $7\frac{1}{2}$ ft. Though this is the average—again in inaccurate index of real conditions—in the majority of cases the number of persons occupying a single room varies from 2 to 5 and in 98 per cent. of the cases investigated it exceeds five. In one instance no less than 12 persons occupied one room. An idea nearest to actuality can be had from the fact that 64 per cent. of the families live in one room only.

The household belongings of the worker include nothing more than a few pots and pans and perhaps a few *charpoy*s. Among miscellaneous items are washing and toilet soap, washerman's charges, *bidis*, shaving, amusement such as cinema, expenditure on account of festivals etc. On these items the expenditure amounts to Rs. 6-14-0 monthly. The shameful inadequacy of the worker's earnings is clear from the fact that the worker is able to spend only 7 annas 5 pies per month, on his children's education.

SINGLE WORKERS

Budgets of workers living singly (without their families) show a slightly better distribution of income than among workers' families. Almost all the workers in this group had dependants living away from them, the average

number being 2.70 persons. 74.3 per cent. of the workers questioned made remittances to their dependants. The average amount remitted is Rs. 15-9-6 per month. The single man worker also has a statistical surplus of income over expenditure (which is extremely unlikely in practice).

COTTAGE INDUSTRY WORKERS

Surveys made among 139 cottage industry workers' families in Delhi shows that the incidence of poverty is greater among them than in the case of industrial workers. The cottage industry worker's family is generally larger (4.09 persons) and has a smaller average income (Rs. 56-7-10). But in spite of these clearly unfavourable circumstances, the budgets show that the average cottage industry worker has a surplus of Rs. 2-10-6 a month. The bulk of the sample workers' families chosen are from income levels between Rs. 30 and below Rs. 70. The cottage industry worker is in a far worse condition in the matter of housing, a member of the family getting on the average 28.8 sq. ft. It is clear that on the whole the cottage industry worker has a lower standard of living than the factory worker.

Another area in which Government conducted enquiries about working class cost of living was the Jamalpur-Monghyr area. In this area the average working class family has an income of Rs. 78-5-11 (which means a per capita income of Rs. 11-8-4). Workers' families are unusually large containing on the average 6.80 persons. The majority of the workers in this area are employees in the E. I. Railway workshop in Jamalpur. They number not less than 14,000 of the total of 17,410 industrial workers. The second largest employer of industrial workers in the region is the Tobacco Manufacturers (India) Ltd. in Monghyr, employing 3,100 persons. The remaining number of workers is distributed in seven small factories, employing between 30 and 55 workers each. Out of a total of 578 budgets collected 458 were from the engi-

neering workers, mainly railway employees, 110 from tobacco workers and 10 from others.

The method of sampling was based on the pay-roll, instead of the basis of tenements (as was done in Delhi) because there were no well defined working class localities with a homogeneous labour population and the employers had not provided workers' quarters. (Incidentally, it is an eloquent commentary on the Government's proposed concern for labour that not even a most important class of its own employees is provided with proper housing).

LARGE-SIZE FAMILIES

The average worker's family in the Monghyr—Jamalpur area consists of 6.80 persons with 0.11 persons living away from the family. This is a large size for a worker's family; the variation between the smallest and largest average family in the different income groups—i.e. between groups with incomes below Rs. 30 a month to those with above Rs. 100 as monthly income—is 4.79 to 10.03 persons. The average number of earners per family is 1.57, but in most cases, forming 60.38 per cent. of the total number of budgets, there was only one. The fact that there are as many as 1.57 earners per family is taken as an indication of the prevalence of the joint family system among the workers.

For the purposes of the budget enquiry the income of the family includes earnings from regular employment, income from other sources, the money value of concessions on essential commodities supplied by the employer and ARP and military allowances which were being paid at the time of the inquiries. Of the total average family income of Rs. 78-5-1 per month, 89.52% comes from regular employment and as much as 10.48 per cent. from other sources, chiefly from agriculture and land.

FALSE SURPLUS

The worker's family incurs an expenditure of Rs. 73-14-8 per month, excluding remittances to dependants and interest on loans which reaches to Rs. 4-6-5 on

the average per month. It is obvious from this that the worker's budget cannot be termed a balanced one, much less a surplus budget as the investigator's report tries to suggest. The worker generally spends much less money than what he needs to on each item of expenditure in order to satisfy his needs. Under these circumstances it will be deliberate and calculated under-assessment of his necessities to base his wages on figures derived from a totally inaccurate index of his living conditions. For the average family of 6.80 persons (or 5.48 consumption units) the expenditure on food comes to 69.75 per cent. of the total expenditure. The average expenditure on food varies from Rs. 5-13-8 per head in the lowest income group (below Rs. 30 per month) to Rs. 10-13-4 in the highest income group (above Rs. 100 per month). Expenditure on cereals accounts for nearly 50 per cent. of the total family expenditure and 71.68 per cent. of the total expenditure on the 'food group.' The most common cereal consumed is rice, wheat being a close second. Pulses are eaten in small quantities. Mutton and fish is taken on very rare occasions—the actual amount spent by a family per month on this item coming to Rs. 1-14-3. Similarly the total monthly expenditure on milk and milk products comes to only Rs. 2-12-3. Ghee is also taken in extremely limited quantities. Mustard oil is the chief source of fats in the worker's diet. Small quantities of sugar and of vegetables make up the rest of the worker's food.

Among the other items of expenditure fuel and lighting account for 5.61 per cent., house rent (including taxes and repairs) 1.71 per cent., clothing and footwear 10.27 per cent. and miscellaneous items for 11.12 per cent. of the worker's total expenditure. Among the miscellaneous items very little is spent on intoxicants such as liquor, the average monthly expenditure on it being 6½ annas only.

BURDEN OF DEBT

A striking feature of the conditions of the workers in this area is their indebtedness. Of the 578 families

covered by the inquiry, 426 reported that they were in debt. The average debt of families reporting indebtedness was Rs. 203-10-7. The causes of indebtedness were ordinary wants, marriages, sickness, unemployment etc. Interest on such debts ranged between 3 and 37 per cent. The degree and extent of indebtedness among the workers and its causes are the most convincing proof possible that the worker's income is not enough for his requirements, whatever the investigations might otherwise show.

SOCIAL SECURITY

The worker in India has to work till the end of his days. This will not be allowed in Free India. The State must make a beginning immediately to bring every worker under a national social insurance scheme.

All over the world, the common man is being promised a new millenium—*Social Security* is the word or the slogan with which every advanced State of the West is trying to capture the imagination of its citizens. Social Security, in its widest context, means and includes the looking after of every one of its citizens—the question of providing with suitable employment, of providing him with income and medical care while sick, with pension when his physical powers have become so decayed that he can no longer work and with pension to his wife and children in the event of his death.

Social Insurance is just a part of social security, but an important part.

The bulk of our population needs a great deal of assistance from the State. The worker in the factory, the clerk in the commercial office, the large numbers of our landless agricultural labourers, the petty landowners and even the petty shop-keepers, all alike need this assistance. How far can the State venture to help all of them? Can it start with doing something for all straightaway or should it begin with a particular class and extend its scope and intensity, step by step till it covers the entire mass of the Indian people? We have

in this country, the Workmen's Compensation Act and various maternity benefits. But the working of these has not been satisfactory. Their scope too is limited. The State, as such, did not enter very much into the picture because of these acts.

HEALTH INSURANCE

During the course of the last War, the War which was supposed to have been fought for freedom—the Four Freedoms—the Government of India entrusted Prof. Adarkar with the task of submitting a scheme of National Health Insurance. The scheme, though limited in scope, is extremely welcome. It covers three categories of factory workers—workers of textiles, of engineering, and of minerals and metals. All workers other than factory workers are excluded from this scheme. All men between the ages of 12 and 60, with an income of less than Rs. 200 per annum, are eligible for admission into the scheme. The scheme Prof. Adarkar has suggested, can only be successful if it is both compulsory and contributory; compulsory, in the sense that all workers in the three categories mentioned above, shall enter into the scheme, and contributory because by making such a contribution, the worker is freed from the feeling that he is on dole and the charity of the State or of the employer. He is satisfied that the benefit comes as a result of a contribution which he has made.

Employees earning below a certain minimum wage are exempt from contributions; above that minimum wage, there are three grades of workers corresponding to wage levels, each of whom makes a flat contribution irrespective of which, the employer shall make a contribution which is the same for all the three grades of employees and exceeds the employees' contribution considerably. The Government—both Central and Provincial—also make a contribution and looks after the administration of the scheme.

The contributions by workers are received in the form of stamps and are collected at source, i.e., at the factory. The benefits proposed are simple, i.e., a cash benefit and a medical benefit. The cash benefit differs for each of the three grades of workers and is related to the wages earned by the employees with a view to discourage malingering. The benefit is applicable only in the case of sickness beyond the 3rd day for a period of 90 days and sickness not separated by intervals of at least a year are linked up for the purpose of counting the period within which the benefit is payable and an initial waiting period of six months from entry is suggested. The medical benefit consists of free treatment at dispensaries, visits by doctors, and free drugs where prescribed by such doctors. There are many other recommendations almost in the nature of rules proposed with a view to ensure that workers do not mangle and that they shall recover at the earliest and be fit to resume their occupation. *

ADMINISTRATION

The administrative machinery consists of a Central Board the Regional Boards, and Local Committees, in which all the three, namely, the workers, the employer and the State find places. The main difficulty in the application of Health Insurance Schemes, is not in proposing benefits or restricting them, but the administration thereof. Sickness has to be more or less rigidly defined and not be loosely interpreted as "inability to follow the normal occupation" or "inability to follow any occupation." The problem is one of finding enough doctors for the purpose of such specialised service as sick visitation and treatment of industrial diseases and the question of having salaried medical services fully at the disposal of the State for the purpose; the vast machinery required for payment of claims and in the collections of contributions, statistics and data which in course of time is bound to accumulate.

The Adarkar Report concerns itself with factory workers in only three specific categories. It does not deal with perennial workers in other industries or seasonal workers in these three. Nor does it deal with the other sections of the populations which are on a par with these.

EXCLUDED CATEGORIES

The difficulty in the application of a scheme of social insurance to agricultural labour is mainly due to the fact that agricultural labour is in a disorganised state in our country. Schemes for their amelioration must take account of this and must be devised accordingly. Even among workers in urban areas schemes like this can apply only to industrial workers and to that extent will indicate differential treatment to a particular section. There is however some justification for making a beginning with the three categories of workers, selected by Prof. Adarkar as sickness incidence amongst them is much higher than among the rest of the population and, therefore, they must needs come first in any scheme of amelioration. The others can be, and must be eventually brought into the picture, as in advanced countries of the West for example, Great Britain, where all workers, mechanical and non-mechanical, male and female, with an income of less than £250 per annum, are brought into the picture. The State caters thereby to over a fourth of its population, whereas in our country, the suggested beginning comprises only about a million and a quarter of workers.

BENEFITS

The one main benefit, usually incorporated in all schemes of National Health Insurance in the West, is the maternity benefit. That is not however provided in the scheme proposed by Prof. Adarkar. In some countries of the West, the medical benefits include even treatment by specialists. It is needless to say that when such specialised treatment is necessary it is provided by the State. Sickness benefit as proposed in the scheme has a grave defect; it is essentially temporary

in character and provides for 90 days of sickness only. In all sick insurance in the event of prolonged illness, the benefit is not discontinued, but reduced, the reason for the reduction being that cost should be minimised and the worker must have an incentive to recover and the reason for not discontinuing it being that the worker should not be penalised when he is in dire distress. The case, therefore for some form of reduced benefits in the event of prolonged sickness is beyond doubt a strong one. Workers who happen to be the victims of chronic diseases like, tuberculosis, leprosy and venereal diseases are left out of the scheme. In the case of tubercular disease, the reason for excluding it is that the cost thereof would be too high; but the need of inclusion is overwhelming. It is the greatest single disabling disease for industrial workers in India and to deny them this benefit would mean denying the full benefit of the scheme to our workers in respect of that sickness which they ought to dread most.

As the administration of this problem is entrusted to the State, the working of it will have to be watched and modified so as to ensure both speed and effectiveness of the service. In England, the State has the services of well-organised Friendly Societies at their disposal for the administration of the benefits. But in other countries of the West, the administration is made by the State itself. In the absence of such Friendly Societies, there is no alternative and the State has to take over such administration on its own shoulders.

FULL SOCIAL INSURANCE

National Health Insurance is only a fraction of Social Insurance. As explained above, it provides an income while sick, and medical care to the workers. It does not avail him when he is unemployed or when he is physically crippled or when he dies. These things have to be looked after by complementary schemes of insurance. Unemployment Insurance, Old Age Pensions, Widows'

and Orphans' Allowances should form complementary schemes in any full-fledged scheme of social insurance. Unemployment insurance means a sustenance allowance to a worker who is temporarily deprived of employment either because of the necessities of industry or of his service with any particular employer. Old Age Pensions are provided to the worker after the age of 65 in the West. In our country, workers after the age of 55 or 60 ought to be provided with such pensions, i.e., after an age when the scheme of benefits ceases to operate. The Contributory Widows' and Orphans' allowances are designed for the maintenance of his wife and children after his death during that period when the children are too young to look after themselves. The contributory pensions scheme in Great Britain and the Widows' and Orphans' Allowances' are such that they will stagger the imagination of common Indians and at this stage, it would be too much for us to expect so much from the State. But these schemes have got to be introduced with the minimum of delay.

STATISTICS

The absence of statistics is often pleaded as an excuse for launching any such schemes of amelioration in this country. These excuses will not avail us hereafter. For one thing, appropriate statistics will not be available to us till the scheme is launched. Statistics for all these schemes of social insurance differ from country to country because the benefits proposed and the eligibility for them differ. "Sickness," in particular, is a function of the benefit and depends much on both the definition and the administration of such benefits. Considerable statistical machinery for the compilation, analysis and interpretation of such statistics is absolutely necessary in any scheme of social amelioration that may be launched by the State. The absence of initial statistics need be a handicap only for a short while. Statistics will gather rapidly and it would be

possible for the State to avail of such statistics for the modification of the terms and conditions of the benefits. In the light of such statistics the State can modify the working of the scheme.

A Social Security programme for India should, according to one of India's greatest authorities on the subject, be divided into three parts: Social Insurance, Social Assistance and Ancillary Measures. The method of Social Insurance can be applied to labour working on regulated systems of hours, wages, employment, etc. It would include health insurance, unemployment insurance, maternity insurance, old age pensions, provident funds, gratuities, etc. Social Assistance suitable for labour employed in handicrafts, agriculture, fisheries, etc., would include unemployment relief, medical assistance, maternity and child welfare, maintenance of invalids and aged, and assistance of a general nature. Ancillary measures like training and rehabilitation of workers, steps to prevent accidents and epidemics, and wage legislation will be necessary to ameliorate the conditions of the workers as well as to keep down the incidence of risks covered by the Social Security programme.

• LIMITATIONS

The Workmen's State Insurance Act passed recently by the Dominion Parliament covers only a small part of this vast field. An improvement on the existing Workmen's Compensation Act and the Maternity Benefit Act, which are based on the principle of employers' liability, the insurance scheme also provides for a system of sickness benefit and medical services to the workers under State direction. But the greatest weakness of the Act is the small proportion of the population that it affects. Allowing for the fact that other measures providing greater benefits for more advanced sections of the working population are in operation, the percentage of the total population in India that can claim some degree of insurance against health risks are not more than about 2 per cent.

The Workmen's State Insurance scheme itself will apply to only approximately 3 million persons. It makes no provision for the medical care of the families of the insured workers. Another notable defect in the bill is the very short period for which a worker falling sick can claim benefit from the Insurance Fund. The insured worker can receive no benefit after a period of eight weeks. This means that the scheme provides poor protection against diseases of a long-standing nature, like tuberculosis etc., which affect a large number of our industrial workers.

MODEST BARGAINING

In spite of these limitations which the authors of the scheme fully recognize, it cannot be denied that the Workmen's State Insurance scheme will mean to large numbers of workers a considerable advance in the methods of compensation for accidents, assurance of a cash benefit and of proper medical treatment, during illness and for women workers better and dependable systems of maternity benefit. The Act is the "modest beginning" in a larger scheme of social insurance, which will include greater numbers of people especially workers in 'seasonal' factories, and provide cover against other forms of workmen's disabilities like unemployment and old age. The seriousness and speed with which the present scheme, however meagre it happens to be, is implemented will show how soon or how late these expectations will be fulfilled.

CONTRIBUTIONS

For financing the health insurance scheme, the Act provides for the collection of an Employees State Insurance Fund, which will be administered by a Corporation consisting of Government, employers and workers' representatives, medical experts and members elected by Central Legislature. The Fund will be formed entirely out of contributions from workers and employers. Usually in social

security schemes the State assumes a direct, contributory function. Though originally the Central and Provincial Governments were expected to assume responsibility for about 22 per cent. of the contributions to the Fund, the Act as passed excludes the State from such responsibilities altogether. Justifying this exemption, the Labour Minister stated in Parliament that Provincial Governments would bear the expenses of providing medical services for insured workers and that taxes or cesses imposed on industry for the purpose of social security schemes would in any case be passed on to the consumer. The Central Government would also contribute two-thirds of the administrative expenses of the Corporation—an uncertain figure at present. Hence a contribution from the State will be too big a burden. This reasoning unfortunately does not sound plausible. Provision for social security measures has nowadays been accepted as a necessary part of the national budgets of advanced countries. Prof. Adarkar does not hesitate to say that “it would be antediluvian to refuse aid from the general exchequer to such a cause in an age which regards it the primary function of society to level up differences.” Even if the comparatively lower standard of economic development of India necessitates the imposition of a tax on employers, specifically meant for the purposes of insurance schemes, the State has ample means to ensure that it does not add to the tax-burden of the consumer. The Act however provides that the Corporation may accept gifts or donations from Central or Provincial Governments. There is little ground to hope that donations of a size enough to mean an addition to the Fund equal to a direct contribution from the State, will ever be made. A cash contribution by the State would have made it possible to build up a more liberal scheme of benefits than what the Act affords at present.

BENEFITS

Under the present scheme insured workers will derive a sickness cash benefit of approximately half their

normal wages. As already stated the benefit ceases after a period of eight weeks. There is no provision for convalescent home benefit, dental benefit or sanatorium benefit which a sickness benefit usually includes. An insured woman worker is eligible to a maternity benefit of 12 annas per day for 12 weeks of which not more than 6 weeks can be claimed before confinement. Medical benefits entitle a worker to free medical treatment available in the form of visits to the home of the insured workers, out-patient treatment at a hospital or as in-patient in a recognized hospital. In-patient treatment will be available only to insured workers entitled to sickness benefits. The disablement benefit is payable in the case of employment injury or incapacity. The scale of benefits promised under the insurance scheme are in certain instances so meagre that they do not signify any noticeable step towards the redistribution of wealth that a social security plan assumes. The acceptability of the scheme however lies in the fact that it affords something to work upon and develop, where nothing existed before.

PROFIT-SHARING

Profit-sharing is a bait often thrown by capitalists today in order to tempt labour to put in the extra effort necessary for increased production. It is also very often a ruse to postpone the incessant demand of labour for basic wage increases. The system of profit-sharing is of very recent currency in this country, and during the war years the awards of the labour courts established a sort of "right" of labour to a share in the profits of an industry after certain prior commitments are fulfilled. The structure of "bonus" awards may not be scientific, but it is nevertheless a type of profit-sharing.

It is obvious that this scheme is now being introduced in Indian Industry as a part of the general plan for ensuring industrial truce in the country. It is one of the economic incentives offered to labour so that during this period it makes an all-out effort to increase production.

and maintains industrial peace. Profit-sharing is not however one of the schemes envisaged in the resolution on Industrial Truce. Yet Government felt that such a scheme, if introduced, in addition to a machinery to determine "fair wages," would demonstrate the earnest of the Governments and the capitalists' desire to play fair by labour. The offer is tempting enough to be welcomed and accepted forthwith; but before a profit-sharing scheme is drawn up it would be in the interests of the people, and labour in particular to examine the merits of its case and its implications.

THE EXTENT OF THE BENEFIT

The first question that arises is whether the scheme is feasible and if so to what extent does it benefit labour. It will be interesting to follow the argument of the capitalist that he considers the economic conditions of the country today to be so uncertain that they do not encourage investment. Even more than that he is not replacing the worn-out machinery for fear that it may not be to his advantage. This tendency to 'sit tight' on capital arises not merely from an uncertain future but primarily from the fact that legitimate profits cannot be so large as to attract capital. If the capitalist cannot be tempted because of the impossibility of making sufficient profits, it follows that the profits in industry will not be of such a quantity as to allow much for distribution to labour, after "first charges" have been met. Even during the war, when it is well known higher profits were made, the Labour Courts, as a rule, did not concede more than a month's pay as bonus in any industry, except in textiles. Granting that profits will be made how is the quantum of profits to be determined, as it must be if labour is to get its correct share? The people are aware that the capitalists have many ways of hiding profits. The Government is also aware of this, for, it is at the present moment concerned with devices to catch tax-dodgers. At a conservative estimate the extent of evasion is in the neighbour-

hood of 75 crores. Labour must understand these two factors in calculating the advantages of this scheme.

EFFECTS ON NATIONAL ECONOMY

In an economy like ours which is undergoing a rapid transformation, the effect that any such scheme of profit-sharing will have upon it must receive consideration and close study. It should be remembered that a very large portion of the revenues of the Government is derived from taxes on profits in industry. These taxes vary according to the quantum of profits, increasing in progressive proportion to its quantity. If these profits are shared out then it obviously follows that the totality of profits (or the taxable quantum) will be reduced by the amount that is shared out and the Government's revenue will be seriously affected. The capitalists, of course, will never be seriously worried but the common worker will be affected because of the curtailment of Government provided amenities.

Again, the people are demanding today the public ownership of the means of production. If this demand is to be conceded, as it must be in some measure, then all profits of such industries must accrue to the State. As soon as this happens, profit that was once shared by the workers as employees of a private industry will no longer be shared by them, as such profits (now surplus value) will go into the coffers of the State to be utilised in the governance of the country. This stoppage of a share in profits is likely to cause an unfavourable psychological reaction among the workers.

There is also the question of unequal remuneration to be considered. The fitter who works in a nationalised industry like the railways, has no hope of any extra emolument which a fitter in a private industry is in a position to expect. At once a differentiation between workers is created to the detriment of the efficiency of the former. And as more and more industries pass into the sphere of public ownership, the number of the non-profit-sharing worker will be on the increase.

ACQUISITIVE SOCIETY

The effect that the scheme of profit-sharing will have on the social consciousness of the working class must also be taken into consideration. The working class has hitherto always raised its voice against an acquisitive society where all motives are determined by profits. The working class and its political philosophy of socialism aim at changing the whole structure of society and substituting, in the place of private profit, social welfare as the active force of human progress. It is likely that the offer of profit-sharing may gradually create a mentality of acquisitiveness among the workers which may prove harmful in the future.

THE ALTERNATIVE—A LIVING WAGE

The foregoing is an assessment of the scheme of profit-sharing and a consideration of some of its implications. In view of what has been said above, it is necessary to consider whether it would not be more desirable for the Government to introduce a scheme of a living wage—a fundamental necessity. It is not as an alternative that the question of a living wage must be considered, but as a subject requiring first consideration.

Is a living wage possible? The capitalists hold that any increase in the wage bill will only accentuate the spiral of inflation. In fact, the argument is otherwise. If there are profits to be shared—as obviously there must be if the scheme of profit-sharing is to have any meaning—then these profits must be so regular and consistent as to be a calculable factor. It would then be possible to advance these profits by a payment spread over twelve months so as to effect an increase in the basic wage by a calculable figure. This would possibly be a more effective anti-inflationary measure as such an increase would be spent on essentials and with care, whereas lump annual payments go only to swell the black market, as such money is spent loosely and without consideration. Considering the low standard of the living of our people

there is always scope for an ever-increasing basic living wage. In fact, under the circumstances, the basic living wage can never be static. There is room for improvement for many more years to come.

A basic living wage is a first priority. Profit-sharing can only take second place beside it.

STATE AND LABOUR

The relationship between Labour and the State in India will largely depend on the realization by the former that the State even if not on its side is at least wholly impartial. Unfortunately developments like the recognition of the INTUC, the preference for compulsory arbitration in industrial disputes shown by the state and the interpretation of Labour's rights under present law by some courts have in no small measure convinced labour that the State in India is not yet its friend. This is indeed unfortunate for the strength of our young state will almost totally depend on the pride that the working class of the country feel in it.

INTUC

In a communique issued on June 1, 1948, the Government of India announced its decision that it had adjudged the INTUC the most representative organisation of the Indian workers, and thus, as a consequence, it had been invited to represent the Indian working class at the International Labour Conference in San Francisco this year. This decision, it was explained, was arrived at after an enquiry as the INTUC claimed that it was more representative of the Indian workers than the AITUC which, till now was representing the Indian working class at international conferences. Whatever be the merits of the enquiry, this decision of the Government has posed serious problems before the working class—problems for its own future and that of the trade union movement, no less than that of the future of democratic Government in India.

To the working class and the Indian people, who have long looked askance at the INTUC, this decision does not come as a surprise. They have accepted it as the culmination of the process of collaboration in a joint enterprise between the Government and the INTUC. Yet, the danger is there and is recognised. If it has to be met and overcome we must be wary and warned. The best awareness is a clear understanding of the real character of this organisation, which can be arrived at by a study of its basic policy and methods of functioning.

BASIC POLICY

To those who have witnessed the formation of the INTUC and followed its growth it is evident that its sponsors have a very strong bias against strikes and desire to force the principle of arbitration on the workers as the method of resolving industrial disputes. This bias against strikes is not because they believe that arbitration brings to the workers justice—in fact, their responsible leaders have admitted the limitations of adjudication. Having come to power they have developed a horror for any action, particularly when that action seeks to change too rapidly the existing order of things. On the other hand no responsible trade unionist rejects the principle of arbitration, provided it is voluntary unless he has a morbid desire to precipitate strikes. There are innumerable instances where strikes that are inevitable and justified have been avoided and adjudication asked for.

But this choice must always depend on circumstances and discretion allowed to the workers. While this is the practice, hardly any trade unionist believes that in the present circumstances arbitration (though in principle voluntary, but made compulsory through the back door method of legislation) will take the working class any way nearer to its goal in the foreseeable future. In the absence of a basic living wage, established and enforced by law, and of a properly constituted wage board to re-

gister increases in the standard of living, it is not possible for Industrial Courts functioning in the present socio-economic set-up to break new ground that the trade unions demand and to grant the workers any relative measure of justice. This is borne out by statements of more than one judge who have said that the purpose of such courts is to adjust industrial relations. If trade unionists surrender both their initiative and judgment to law courts as constituted at present they are selling out the future of the workers.

The future of trade unions in the context of the principle of arbitration is also jeopardised. Repeated and unnecessary references to arbitration will render ineffective the trade unions, which in their present forms are dynamic instruments of social and economic change. There will never be an opportunity in the future to build up that unity of workers which develops self-confidence and a community of interests and the necessary strength required for collective bargaining and enforcement of contracts. The development of the personality of the workers, with its attendant consequence will suffer. Trade unions will degenerate into mere legal aid societies.

In these circumstances it is not possible to concede that the basic policy of the INTUC is conducive to the well-being of the workers.

FREEDOM FROM PARTY POLITICS

The resolution which gave birth to the INTUC charged the organisation with a "sacred and imperative obligation" to take concerted action to safeguard and promote the interests of the working class. In an inspired article "*Raison d'etre* of the INTUC" in the *Bombay Chronicle* of May 15, 1948, this organisation was said to have an "avowed aim to rescue the labour movement from the clutches of party politicians and to chalk out for it an independent path." Both the Secretary's Report and the article were written after a year's functioning of the INTUC and it is a reflection on the *bons*

fides of the men of the INTUC that they should reiterate an objective which throughout the course of its development they have successfully tried to avoid.

“Peaceful change,” “democratic methods” and “freedom from the clutches of party politics”—the three principles of the foundation of INTUC policy—were the first victims of its functioning. Political power and party considerations were their substitutes. When Hariharnath Shastri split the U.P. and Bihar Mill Workers’ Federation, the U.P. Government promptly withdrew its recognition of the original body and recognised the dissenting one. The U.P. Government even goes so far as to mention in its communiques the new federation as Hariharnath’s Federation, so that the workers may know where patronage goes and where disfavour lies.

PATRONAGE FROM GOVERNMENT

This is only a case in point. Such instances are repeated in other provinces—in Bengal, Bombay and Madras. Patronage and partiality by the Bombay Government Labour Department towards the INTUC unions went so far in Bombay that the Socialist unions had to stage the historic token strike of 29th December, 1947, to protest against the labour policy of the Government. Of course, the Government replied as expected—as any undemocratic and unresponsive Government would—that the token strike would not make any effect on Government policy. That a union must be an INTUC union if Government is to intervene in a crisis and save the future of the workers is demonstrated in the case of the famous strike of the Coimbatore mill workers. The workers of Coimbatore threw out their President who joined the INTUC and elected a Socialist in his place. But they had the misfortune to go on a strike soon after. The Government did not forget this and refused to allow the union to come to seek understanding with the millowners over the award of the Government regarding standardisation and workload. When the Government were ap-

proached it hinted that a solution of the internal dispute in the union will facilitate their work, meaning that if the old President (INTUC) was taken back, their hands in dealing with the capitalists would be strengthened.

Patronage of the employers is a result of party influence. It is common knowledge how the Railway administrations are favouring INTUC unions; how INTUC unions are formed where other unions exist, in order that the representatives on Works Committees may be INTUC men. The letter of the Assam Planters' Association giving directions to its constituents to allow only certified workers of the INTUC to enter the plantation area for organisation has now made history.

PAPER UNIONS MULTIPLY

The INTUC which first saw the light of day a year ago started with 200 unions and a membership of almost 6,00,000. Today, after a year, the number of affiliated unions has increased by more than two and a half times while the membership has only increased by a half. The conclusion is that a very large number of small and non-descript unions have affiliated themselves to the organisation. The membership was not encouraging. The INTUC had already reached the limit of its growth at its start.

In the statistics supplied to Government the AITUC claimed an affiliation of 872 unions and a membership of 10,73,537 while the INTUC claimed 498 unions and a membership of 10,33,614, including a vague 2,70,000 (a suspiciously round figure) of handloom and agricultural workers in Madras and C.P. Without this (agricultural workers) strength the total of INTUC membership stands at 7,63,617. What is this 2,70,000 membership which the Government have accepted? The enquiry has checked a part of this figure, of 35,000 for C.P. only and conceded the whole of the remaining 2,35,000 for Madras (again round figures). The number of unions

are not mentioned. The INTUC has turned the tables against the AITUC through this figure.

The AITUC, right from the very beginning, asked for an enquiry to be conducted by a judge of a High Court with the intention of ensuring impartiality and drew attention to this vague membership of 2,70,000. But the Government did not heed this request. Whether the Government was justified in refusing this request is open to question. Every one will concede that the request of the AITUC was quite proper, looking to the past record of collusion between the Government and the INTUC. In the matter of representative character it will be interesting to learn that a confidential report of the Labour Officer of the Millowners' Association, Bombay, puts out of all calculation the textile union of the INTUC in Bombay, and observes that the future is a struggle between the Socialist and the Communist Unions. Perhaps this state of affairs, of course leaving out the Communist factor, is repeated in Madras and Delhi.

The policy that the INTUC, under the inspiration of the Congress veterans, offers to the workers will be found rightly or wrongly, to be inadequate by Indian workers, for realising their immediate as well as ultimate aims.

Under parallel circumstances, in Kuomintang China, the Chinese Association of Labour was launched in 1935. A policy of benevolent paternalism was pursued and organisation grew in size and number, and in the war years it reached the peak membership of 1,266,514. After the war serious strain began to be felt: "In a country," the *Amerasia* points out, "where strikes were forbidden, 1,00,000 workers took part in strikes between January and June 1946. Labour disputes had in fact, become so numerous that they were involving 40—70,000 workers per month." Since then, a gulf has been yawning between the Chinese Government and the CLA. A *Reuter* message dated May 10 says that 800,000 workers of

Shanghai who are not Communists, have threatened a general strike if large scale economic reforms are delayed. The INTUC, if it becomes responsive to the moods and the urges of the working class, will find itself getting estranged from the Congress governments. If it remains responsive to the needs of the administration, its hold will become irksome to the workers. The Chinese experience is not without meaning for us.

POLITICAL ISSUES

The workers' unrest may, for the nonce, be confined to economic betterment but, ere long, political issues will begin to loom large. In Japan, in spite of the conditions of occupation, such developments have taken place. A strong movement grew up against the government of Shigeru Yoshida, and 2,600,000 workers gave a notice of strike. A poll of the public opinion showed that 65% of the citizens of Tokyo were against the strike, 21% were for it and 14% were undecided. Notwithstanding such a poll General MacArthur recognised the seriousness of the situation and ordered fresh elections to the Diet. In that election significantly the Social Democrats have emerged as the strongest single party and the Yoshida Cabinet has been unseated. (Incidentally the elections prove the unreliability of middle class "polls"). In times such as the present the workers are unlikely to hesitate in using their power in reaching to the helm of political affairs of our country. Such a use can be wholly democratic and within the bounds of law and constitution as the Japanese example shows.

So long as the Congress remains what it is, there must inevitably develop an estrangement between it and the organised working class. Such a rift can be avoided by the Congress accepting clearly and definitely the Socialist objectives.

The wedlock between the middle-class Congress and a Socialist TUC, as Dr. Banerji claims the INTUC aspires to be, must soon degenerate into a deadlock. The

deadlock will be avoided either by the Congress becoming in place of Indian National Congress—the Indian Socialist Congress, or the TUC forfeiting its independence and integrity.

The vital issues that keep our working class in a state of ferment will not be solved by the formation of the INTUC.

COMPULSORY ARBITRATION

The method of compulsory arbitration in preference to strikes and lock-outs for the solution of industrial disputes is advocated on the following grounds:

(1) With the democratisation of the state, major changes in the condition of the working class should be brought about, not by strikes or other forms of direct action, but by the use of the ballot box. A fully responsible Government provides an adequate instrument in the hands of the working class for bringing about the most far-reaching changes in the society. The disputes that remain to be settled directly between the employers and employees need not involve any fundamental question and will normally be concerned with questions of details. Such disputes can rightly be referred to the adjudication of an impartial tribunal.

(2) Today production is becoming increasingly socialised and a strike or lock-out in any industry therefore, hurts the community. A small minority, strongly and efficiently organised is in a position to hold up entire community to ransom. The Government is therefore entitled to enforce arbitration and avoid this inequitable state of affairs.

(3) Both the sides to an industrial dispute generally appeal to the public for sympathy and active support. In these cases the public must have a full knowledge of the rights of their case and this can best be elucidated before an impartial tribunal.

(4) In many sectors of industry, the workers are still organisationally weak and, therefore, it is in their

interest that an arbitrator whose award is binding on both the parties decided the points in dispute.

FAULTY PROCEDURE

In effect, the community by enforcing the principle of compulsory arbitration tells the worker that they need not go on strike for the redress of their grievances and they should only prove that their case is just and the community would see to it that justice is meted out to them. If the community is able to evolve a suitable machinery for arbitration, then alone has the guarantee any value. The issue of strike versus arbitration is thus a matter of evolving a machinery that can be reasonably expected to give the necessary confidence to the workers.

Industrial Courts, as they exist today, are composed of men trained in legal practices viewing the problem of justice exclusively in its legal as distinct from sociological aspect. The entire procedure is also based on the procedure in a civil suit. The Union, in case of a threatened strike, is asked to submit its case in writing; the other side is then asked to reply in writing. The case is then argued out in Court, usually by the lawyers. The Court then gives its award which also reads like any other judgement. Now, the issues involved in any civil suit as well as the entire procedure adopted therein, are based on certain enacted laws, these laws in turn are based on certain fundamental assumptions as to rights and wrongs about which both the sides to the dispute as well as the Court are agreed. The only issue before the Court therefore is whether a particular right is infringed or not or whether wrong is done or not. If it is proved that a right is infringed or a wrong is done he gives judgement accordingly; and the entire procedure in civil suit is to facilitate the proof of the alleged infringement of right or the perpetration of a wrong. In a civil suit, in short, both the sides agree as to the abstract principles of justice involved in a given case and the whole problem merely consists in applying these principles to a concrete case.

LEGAL APPROACH

The issues before an Industrial Court are of quite a different nature. Here, there are no codes in terms of which a given case can be decided. Nor are the two parties to a dispute agreed on the fundamentals which can be applied to the case for deciding the issues. Industrial Courts, for instance, are often called upon to decide on the adequacy, of a given scale of wages. Now there is no code defining such adequacy, nor are the parties agreed on the tests to be applied in order to determine this adequacy. Under such circumstances a legal approach completely breaks down. What, for instance, should a Union prove in order to establish its contention that the scales of wages in a given concern is not adequate? They may have their own notion, very sincerely held, about an adequate wage and if they proved that a given wage scale is not up to that standard according to them, then they have proved their case. And if the award says that they have not proved their case they have a legitimate ground for suspecting the entire machinery for adjudication.

A way out may be found by prescribing certain norms in terms of which such issues can be decided. The adequacy of a wage scale can thus be determined with reference to a norm which takes into consideration a living wage and the capacity of the industry to pay a given wage. But the problems can neither be proved nor determined with the help of a purely legal machinery. Similarly the question of hours of work, leave with pay, casual leave and sick leave can be determined in terms of certain norms. But none of these norms can be computed with the help of only a legal machinery, because to prepare standardised norms applicable to all cases is impossible under the present circumstances.

We are thus driven to the conclusion that the instinctive distrust of the workers in arbitration is not due entirely to their love of mischief or the propaganda of certain

parties bent on trouble. Their distrust is legitimate as long as the composition and procedure of arbitration courts are governed by purely legalistic considerations.

LEGAL DECISION

The Coyajee judgement: The Trade Union Movement is newly faced with a critical situation which is affecting its very roots most adversely. Coyajee's recent judgment in the dispute between the Western India Automobile Association in Bombay and its employees that Industrial Court have no jurisdiction over the employers to order them to re-instate the employees wherein the Court is convinced of their wrongful dismissal or discharge, has put the Trade Unionists in a very difficult position. For the consequences of this judgment will, indeed, be disastrous to the workers and the trade union movement at large. The employers will be entitled to discharge or dismiss any worker for his trade union activities, ostensibly of course on one pretext or the other, and such workers shall find no security against the onslaughts of the employer. Thus the employers, often, will succeed in breaking trade unions easily. To cite one example the dismissal of eighteen office-bearers of the Union by the Management of the Indian Standard Metal Co. Ltd. Bombay, is a glaring instance and the Union has not so far succeeded in securing the reinstatement of these eighteen workers on account of Justice Coyajee's judgment. The judgment, thus, has rendered a severe blow to genuine trade unionism.

As a matter of fact, Justice Coyajee's judgment goes contrary to certain statements made by Sir Harsidhbhai Divatia, President of the Industrial Court, Bombay that if a strike took place because of the unfair labour practices workers in such a situation. In countries like Argentina, Australia, Bolivia, Brazil, Canada, China, Costa Rica, Ecuador, Finland, Mexico, Newzealand, the Union of South Africa, the United States, Venezuela etc. full protection is given to workers against such possibilities. In

these countries legislation has strictly prohibited all actions on the part of the employers prejudicial to the workers—actions such as: employer's refusal to engage a worker who is a member of a trade union, demanding from a worker an undertaking that he would not belong to a trade union, or withdraw from its membership, taking of discriminatory measures or exercising pressure against an organised worker during his employment, and discharging of a worker because of his membership in a trade union activities.

Particular mention must be made of the Federal National Labour Relations Act, promulgated in the United States of America on 5th July, 1935 as it has served as a model for most of the industrially advanced countries. This Act, amongst other things, strictly bans unfair labour practices' such as an employer 'discouraging membership in any Labour union by exercising coercion or pressure against the worker at the time of his engagement or during the tenure of employment' and any 'disciplinary action against the workers by discharge or dismissal.' On the other hand the law authorises the parties duly qualified to make 'collective agreements to contracting trade union a condition of his employment.'

In Mexico, the authorities go still further in ensuring that the rights of the workers are respected if the strike is declared lawful, and in protecting and supporting them in their efforts to make the strike effective. It is even more interesting to note that the Labour Code of Ecuador 'expressly stipulates that the workers who have been on strike cannot be dismissed in the years following the strike, except for certain legitimate reasons enumerated by law and after authorisation by the labour inspectorate.'

NO SAFEGUARDS

The employers might assure that no dismissal or discharge of any worker would be affected because of his trade union activities. But from the long experience of

the behaviour of the employers one does not feel confident that they would not indulge in 'unfair labour practices.' However, the question arises, in case the employers dismiss or discharge employees for legitimate trade union activities what are the safeguards and security against such action? Obviously there are no safeguards for the worker and no security of his service. There shall be no authority to whom he can look for justice and for reinstatement if wrongfully dismissed.

It is, thus, obvious that Justice Coyajee's judgment will go to strengthen the hands of the employers beyond control. And the employers are bound to use this tremendous power in their hands against the legitimate organisations of workers.

What should be done to meet this danger?

Obviously labour organisations must immediately move in the matter and build up a formidable agitation against such a judgment. Such an agitation will create public opinion in the workers' favour. This will force the hands of the Government to act so as to nullify the effects of the judgment. The Government will have to be forced, firstly to promulgate an 'ordinance' immediately, investing the Industrial Disputes Courts with powers to order the employers to re-instate the workers, in case the Court is convinced of their wrongful discharge or dismissal and secondly for proper legislation to that effect in due course. Unless these things are done, the interests of labour movement will be at stake.

Labour organisations should lose no time. They must forthwith build up a strong agitation in order to force the Provincial and Central Governments to take immediate steps to counteract the adverse effects of Justice Coyajee's judgment.

THE MADRAS DECISION

The protection by law of the workers' right to organise without intimidation and discrimination is the first necessary condition for the growth and success of

the trade union movement. It is well known that the most powerful factor discouraging the spread of labour organisation is the fear of victimisation. In America victimisation or discrimination is strictly forbidden according to the National Labour Relations Act. If any act of victimisation is reported and the National Labour Relations Board is convinced of its injustice the employer will be ordered to re-instate the wrongfully discharged worker with back-pay. In the United States the employers are therefore really afraid to adopt such measures against active supporters of trade unions. In most other countries also full protection is given to the workers against such injustices. In India the Trade Union Act and the Industrial Disputes Act hitherto safeguarded the workers' right to organization and collective bargaining. But the recent judgment of Justice Coyajee in the Bombay High Court and the judgment pronounced by Justice Subba Rao in the Madras High Court have given the employers enormous power and have deprived the workers of the protection of the law against wrongful dismissal and victimisation.

CHROME FACTORY DISPUTE

The 1500 tannery workers of Messrs. Chrome Leather Co. Ltd. Chromepet (Madras) are mostly Harijans. They are given a paltry wage of 8 annas for a full day's work. The dearness allowance is only 2 annas per point rise in the cost of living index above 100. The conditions of employment are highly unsatisfactory. There are no provisions for Provident fund, gratuity, etc. Leave facilities are meagre. Bonus is seldom paid. About two years ago the workers struck work for about three months demanding increased wages and other facilities. The employers with the help of the Government and the police were able to overwhelm the strikers. A campaign of victimisation of the workers followed after the strike was called off, though this was against the agreement which the employers had concluded with the workers' union. Even

staff members were victimised. Workers with thirty and more years' service were taken as fresh hands. They lost all their privileges.

It was under these conditions that the dispute was referred to the Industrial Tribunal, Madura, for adjudication. Influenced by the findings of the Bombay High Court in the dispute in the Western India Automobile Association, the management of the company filed a "mandamus" application in the Madras High Court to direct the Industrial Tribunal, Madura, to stop all proceedings in connection with certain issues pending decision in the dispute between the management and its employees. They questioned the right of the Industrial Tribunal to decide issues relating to re-instatement of discharged workers, payment of bonus, Provident Fund, etc. The High Court was pleased to pronounce judgment that the Tribunal had no power to add to the terms of contract of service or introduce any new conditions of service between the parties in dispute. The jurisdiction of the Industrial Tribunal was confined only to enquire and find whether the contract between the parties provided for the issues framed. It had no jurisdiction to direct the employer to provide for those conditions in cases where there have been no such conditions of contract existing between the parties concerned. The effect of this judgment has been to give the employers the necessary power to break the solidarity and organisation of workers. The workers have to be satisfied with the poor conditions of service obtaining at present and have no legal right to ask for their improvement.

This is a challenge not only to the 1,500 workers of Chromepet but also to the Indian working class as a whole. The experience of Trade Union workers in India regarding the treatment of workers by employers does not provide reason for confidence that "unfair labour practices" will be eschewed. The decisions by the Bombay and Madras High Courts are certain to be treated as prece-

dents in reaching conclusions in similar cases in other provinces. And, it is equally certain, that employers will not be slow to seize at the opportunity afforded to them to victimise workers with impunity. The trade union movement will suffer a severe strain as a result.

It is high time that the Industrial Disputes Act and the Indian Trade Unions Act are amended so as to make "unfair labour practices" on the part of employers illegal. For this purpose the Government must promptly promulgate an ordinance investing the Industrial Tribunals with powers to decide any issue that may arise between the employers and the employees regarding working conditions and collective bargaining—including reinstatement of workers in case the court is convinced of their wrongful dismissal. The ordinance may be followed by proper legislation in due course. Unless such action is taken the workers will lose all faith in the professions of support made to them by spokesmen of the Government.

PROVINCIAL GOVERNMENTS AND LABOUR

U.P. :—

The Independence Supplement of the *Pioneer* featured prominently an article by Shri Sampurnanand which he wrote in San Francisco 'where I have come as a delegate to the International Labour Conference.' Speaking of the 'machinery for the disposal of labour disputes,' which he has devised, he says, "I am rather proud of it."

Shri Sampurnanand's pride is perhaps his own concern (though few have ever had less cause to be proud). But it will be certainly interesting to know how the machinery works.

The Jai Hind Mazdoor Sangh of the Benaras Cotton and Silk Mill presented certain demands on behalf of workers and gave notice of strike on September 27, 1947. Not a little finger was raised to settle the matter during the notice period. The 'file' was perhaps coursing its way in Shri Sampurnanand's labyrinthine machinery. The strike began on October 14, 1947. It was only after

the strike had been in progress for five days that the matter was taken up for conciliation.

The Conciliation Officer took full six months to come to a decision. But when the decision did come, the Labour Department did nothing to enforce it. In the meantime, wrongful dismissals were mounting and the workers were vainly making frantic representations to Shri Sampurnanand. Tired of waiting, they went on Strike again on June 26, 1948.

AWARD NOT ENFORCED

It was now the turn of the Conciliation Board. It held the dismissals illegal and directed the management to reinstate the dismissed workers. In spite of several representations to the Labour Ministry the award has not been enforced so far. But the machinery is not so slow-moving when the employer's interests are to be protected. A date has already been fixed for the hearing of appeal by the management against this award.

Isn't this an excellent machinery? May be it grinds slowly, but it grinds so well—as these ground down workers will tell you. In another forty days the workers would be celebrating the anniversary of their dispute and singing hallelujah to Shri Sampurnanand and his machinery which had taken so long to dispose of the dispute but had not quite succeeded.

SERVE 'EM RIGHT

But perhaps it should be mentioned that the workers of this mill are organised into a union which has the singular misfortune of being manned by socialists. Now socialists, as everyone knows are a set of *badmashes* who are, atheists, who are out to destroy Indian culture. Piqued at finding themselves unable to share the loaves and fishes of lucrative offices, they are out to disrupt the state and barter away the newly-won freedom. They are intent on nothing so much as on stirring up trouble merely to derive a sadistic satisfaction out of it. Their greatest sin,

however, is that they won't be bought over by the 'sole representative' of the working class, the mighty INTUC.

If, therefore, the Benaras Cotton Mill workers must be so misguided as to be led by socialists, then it does serve them right to be victimised and to be harrassed generally. This will teach them a much needed lesson. This is education, real education. Shri Sampurnanand's machinery, besides disposing of labour disputes, is making a fine work of this education.

IMPARTIAL TREATMENT

It will, however, be wrong to think that socialist-led workers alone get the benefit of this education. No, proud Sampurnanand doesn't do things by halves. For instance.

There is a textile mill in Kanpur, the Lakshmi Ratan Cotton Mills Ltd. The lord and master of this mill is Lala Ramratan Gupta, one of the tribe of enlightened capitalists who stalk the land today. He is a Congressman turned industrialist out of his compassion for the down-trodden, dumb driven labourers and out of his deep-seated conviction that the only way to do them service is to become—a capitalist. Gandhiji's idea of trusteeship had to be worked out in practice. How else could its practicability be demonstrated?

THE CONSISTENT PATRIOTS

It should be remembered that these Kanpur magnates have always been patriotic. They served the British patriotically and now they are serving the Congress equally patriotically. (Isn't voluntary levy of two annas per spindle to help the Congress enough proof of that?) No invidious discrimination between one set of rulers and another—certainly not. These magnates would have weighed Sir Maurice Hallet—of hallowed memory—against gold and created a monument if these impractical, sentimental Indians hadn't raised such a hullabaloo. And now they would be only too happy to weigh Shri

Sampurnanand similarly against gold—if he went on a slimming diet for a while. And why not? The service these two able administrators have rendered to them can only be measured in gold.

In Lalaji's mill there is, or perhaps there was, a union. It was a branch of the Sut' Mill Mazdoor Union which is affiliated to the INTUC. The Secretary of the Suti Mill Mazdoor Union, which has also its branch in the L. R. Mills, is one Shri Ganesh Datta Bajpai. Till he fell from grace he was also the Labour Advisor—'to the U. P. Government' when he joined and 'to the U.P. Labour Enquiry Committee' when he left. He had to fall from grace, because he had a bee in his bonnet: he imagined that workers had certain rights and that it was the business of the union to secure them and, when secured, to safeguard them. He was also very very unteachable. The INTUC bosses failed to knock into his head something of their own practical commonsense which has enabled them to make themselves healthy, *wealthy* and wise.

REAL-LIFE DRAMA

There people provide dramatic personnel for the drama. If it hadn't been enacted in real life, the drama would be magnificent in its grim, blood-curdling ruthlessness.

The curtain is raised on the inside of the mills with a labour spokesman and a minion of the management in animated discussion. Date: July 25, 1947. Words words and more words when... bang! a kick lands in the pit of the spokesman's stomach and the painful monotony is broken. This was all right, wasn't it? For, if one must be so impertinent as not to have a pant on, where is one to land the kick?

But the workers didn't quite see the logic of it. They had the temerity actually to squeal. Thus it was that a properly 'serious' situation was created. And to avoid a breach of the precious peace, an elaborate police and military bandobast was made. The obliging Labour Minister

came to the rescue of the Lala and gave him permission to declare a lock-out for forty-six days.

Clearly, when the battle for production is on, permission for lock-outs has to be given. The best way to step up production is to stop it. It is one of the paradoxes of our newly-won freedom. And Shri Sampurnanand ought to be proud of that too !

From then on, it was a grand battle with the unpatriotic workers clamouring to start production and the patriotic Lala holding them at bay with the aid of the equally patriotic police batons and bayonets.

When the mills reopened on September 9, 1947 twelve hundred workers were locked out and most of the clerical, supervisory and watch and ward staff was re-trenched. Illegal? No, not in the least. Illegal is a term that is applied only to strikes.

'THE DISPUTE' RECOGNISED

Very reluctantly this was recognised to be a 'dispute' and conciliation proceedings were begun when Shri Sampurnanand's robot suddenly stopped. The Conciliation Officer had to be removed because he was indiscreet enough to write to the Government about the obstructive attitude of the employers.

It was not till after a strike that a Conciliation Board was appointed. Just when the Labour Commissioner, who was the Chairman of the Board, was about to deliver judgment he was sent packing, demoted and transferred from the Labour Department itself. He had not learned the lesson so assiduously taught by the Department that its officers must never go against the wishes or interests of employers.

Exit Conciliation Board and enter the adjudicator after only a short space of few months. His award is an amazing piece of work. It solves all the issues raised by the workers by the simple device of remaining silent over them. The Government in the meanwhile granted per-

mission to Lalaji to close down one shift—again, in the interests of greater production.

REIGN OF TERROR

Since this was not enough to ensure industrial peace Shri Bajpai and fifteen other leaders were arrested and detained under the Safety Act. A regular reign of terror was let loose in the Darshanpurwa area. At least three scores of workers are standing their trial under various sections of Indian Penal Code including Sections 302 and 307. The case against the Manager and other high officials, on the other hand, whose demand for police help led to a lathi charge being made inside the mills resulting in serious injuries to many and who were bailed out against sureties of one and a half lakh of rupees each, is yet to begin.

Just on the day Bajpai's Habeas Corpus application was due to come up for hearing before the Allahabad High Court, he was released. By this time Shri Sampurnanand had come back from San Francisco. When Bajpai met him and mentioned something about the discontent among the workers, he was astonished "Discontent, what? where? Indeed, you must be mad. Isn't there perfect peace in the L. R. Cotton Mills?" To say the truth, there is. By getting rid of all the old employees and taking on a wholly new complement of workers, 'peace' has been resorted. How long it will last, is another matter.

This is how Shri Sampurnanand's 'machinery for the disposal of industrial disputes' works. The two cases cited are merely typical of the hundreds that are happening. The workers know it is a rotten, corrupt machinery which, in the interests of industrial peace, should be scrapped and replaced by something which is not a mere pretence and a fraud.

BIHAR:—

A report on the work done by the Labour Department of the Bihar Government issued recently provides an

illustration of how Provincial Governments are handling labour problems and preparing for the fulfilment of promises of a new deal for the *mazdoor*. Industrially Bihar has great importance because of the concentration of the iron and steel industries and as a sugar and shellac producing area (coal and mica mining being a responsibility of the Central Government) and measures taken to ensure better standards of life and work for labour in the province will eventually become precedents for the formulation of policy elsewhere.

The report points out that minimum wages have been increased all over the province, in some cases by as much as 50 to 70 per cent. The increases have been brought about through mutual agreement between employers and workers, or as a result of the award of adjudicators and on the recommendations of Boards of Conciliation. The total earning of an unskilled worker in the Province as a result of these increases varies, according to the report, between Rs. 26 and 36 per month. Considering the present cost of living, (the index figure has jumped from 100 to 290 in many places in the country) these figures far from meaning an increase in the worker's standard of living cannot even be accepted as an adequate minimum.

On the question of housing, it is stated that an interim report has been presented by a Special Officer appointed to inquire into housing conditions in factories in the Province. On the basis of the report, a decision is reported to have been taken to construct "a few thousand" houses in the near future.

Hours of work have recently been reduced from 50 to 48 in "perennial" factories and 60 to 50 in "seasonal" factories.

An elaborate conciliation machinery is functioning to resolve trade disputes. A wholtime judge has been appointed for adjudication work.

To introduce a system of health insurance the Government has relied on its powers of persuasion to induce employers to start provident fund schemes, grant sick leave with pay and provide facilities of medical treatment for workers at the cost of employers.

About 80 new Trade Unions have been registered since the present Ministry took over and the registration of about 40 unions is under consideration. The Government's contribution in the development of the trade union movement in the province consists of "discouraging" attempts on the part of employers to victimise workers for union activity and securing recognition for unions from employers. A Provincial Labour Advisory Board will come into being shortly as a result of a tripartite conference held recently, on which will devolve the duty of advising the Government in regard to its labour policy.

Other activities of the Labour Department of minor importance like the publication of draft rules under the Industrial Disputes Act of 1947, orders requiring employers engaging 100 or more workers "to define with sufficient precision" the conditions of employment in their factories and to maintain hospitals for labourers are included in the report.

This list of achievements against the background of consistent and bitter struggles by the working class of the province, looks only like tardily granted concessions and will not enthuse those who want a *kisan mazdoor raj*. Along with the enactment of legislation to regulate wages and conditions of work, labour had looked forward to the progressive elimination, under Government direction, of the profit motive from industrial production and the substitution of capitalist management by workers' control. It cannot be denied that there have been attempts to move in this direction but the limitations which the Government has placed on itself will prevent proper appreciation even of such efforts. The assumption of the role of an impartial arbitrator between the claims of labour

and employers by the Government can be no excuse for failing to introduce an element of planning into industrial activity.

CHAPTER 3

LABOUR AND PRODUCTION

WHO IS RESPONSIBLE FOR FALL IN PRODUCTION? :—

The fact that a period of shorter working hours and increasing numbers of strikes has been found, with a period of falling production does not necessarily mean that one is the cause of the other. It is a fact that the hours of work in factories have been reduced from the legal maximum of 10 hours a day and 54 hours a week to 8 hours a day and 48 hours a week respectively. But from this, it does not follow that production will also fall off by something like 12-1/2 p.c., as has been stated by a large number of writers. This presupposes that before 1946, from which year output has begun to decline, it was the usual practice in our mills to work the maximum period allowed under the Act of 1934. But an examination of the statistics of working hours in different factories will show that the actual hours of work were often not more than 48 hours a week. In some cases they were even shorter than that.

In 1938, it was found that 29 p.c. of the male workers and 31 p.c. of women workers in the perennial factories and 36 p.c. of the male workers and 43 p.c. of the women workers in the seasonal factories did not work for more than 48 hours a week. The Bihar Labour Enquiry Committee found that in Bihar, 43.2 p.c. of men and 39.8 p.c. of women worked for 48 hours in the week. In mines, the miners and loaders in Jharia and Raniganj did not work for more than 44 hours a week underground and 45 hours a week above ground. In engineering, iron and steel, sugar, cotton-ginning and baling, the actual hours worked were not more than 48 hours per week. So, naturally, the present shortening of hours is not likely to affect output in these groups of industries.

It might be argued that in other groups of industries where the working hours were more than 48 per week, the 8-hour day was likely to be followed by smaller output. This is specially the case in the cotton textile industry, where the working hours were more than 48 per week. A glance at the main Report of the Labour Investigation Committee will show that this is only partly true. In the cotton textile industry, the hours of work varied from $7\frac{1}{2}$ to 6 hours per day and 45 to 60 hours per week. So in at least a section of that industry, the weekly hours of work were even below 48.

Even if we accept the proposition that the usual practice in other groups of industries was to work for more than 8 hours a day it does not follow that a shortening of hours will lead to lower output. Neither economic theory, nor the actual facts (of which businessmen are so fond) support this proposition. In other countries of the world, the shortening of hours has not been followed by a fall in production. And our experience in India does not also lend support to this idea. When the hours of work were reduced to 10 per day in 1934 production figures for different industries did not show any falling off. Prof. Gadgil mentioned a concrete case. Some months after the hours of work were reduced in the factories in Bombay from 10 to 9, the Bombay Labour Officer carried out an enquiry into the effect of the shorter hours upon the efficiency of the workers.

The enquiry was confined to piece-workers in whose case it was comparatively easy to measure efficiency. The results of the enquiry were that both in Bombay and Ahmedabad, the workers were producing a larger output than before. It may be contended that the nine-hour working day constituted the optimum working period in India so that any reduction below this limit is likely to lead to a reduction in output. This is, however, problematical. The universal experience in the U.S.A. and the United Kingdom is that a 48 hours' week is far from

the optimum working period both from the point of view of the workers and of the industry, and that a 40 hours' week may prove to be nearer the optimum period. There is no reason to suppose that, in view of the climatic condition of India, and the comparatively weak physique of our workers, the optimum working period will be longer in India than in the Western countries. In so far as the 8-hour working day is nearer the optimum period, the results of shortening of hours are likely to prove more beneficial than inimical. This theoretical conclusion may also be propped up by another peculiarity in Indian labour conditions, pointed out long ago by the Royal Commission on Labour. The actual working hours are often less than the scheduled hours in our factories on account of the habits of the workers who usually spend a considerable part of their time in the factory compound, smoking, loitering or eating their meals. We have the weighty opinion of the Royal Commission in our favour to the effect that "we are convinced that, generally speaking, the shorter working week is associated with closer attention to work and stricter supervision than a long one." In so far as the shorter working period leads to less loitering, and fewer unauthorised intervals, output need not suffer. So before one can decide on a *priori* ground that the fall in the output is due to the shorter working hours, one must demand to know many of these factors.

It is interesting to learn from the latest figures that the production of cotton cloth has registered a rise by about 10 to 15 per cent. during the second quarter of 1948 as compared to the first quarter of that year. Production is reported to have increased from 982 m. yds. of cloth in the first quarter of 1948 to 1090 m. yds. in the second quarter. The consumption of raw cotton by the cotton mills in India and Pakistan has also increased, in the 8 months ending April, 1948, by 175,109 bales over the corresponding period of 1946-47. The production of

jute manufacturers has increased from 962 thousand tons in 12 months from July to June, 1946-47 to 1019.8 thousand tons in the same period in 1947-48. It appears therefore, that the shorter working hours do not stand in the way of increased production. Is it a mere coincidence that the period of larger production of cotton goods was also the period of the heyday of decontrol of cloth?

Everyone is familiar with the mounting statistics about the number of strikes, the number of workers involved and the number of man-days lost, during the years, 1946, 1947 and 1948. That the increase is alarming can be readily admitted. But there has been some exaggeration about the effects of these strikes on production. To understand the real effects of these strikes, it is essential to go beyond these dry figures.

In the first place, it should be remembered that our strike statistics did not give separate figures for strikes and lockouts. They are lumped together as industrial stoppages. Unless one knows the actual percentage of strikes and lock-outs hidden in these figures one should hesitate before fastening the guilt on labour alone. A second point that should be noted about the statistics of strikes is that the years after 1945 saw the rapid spread of unions among what are called the "white-collared" workers, the employees of the mercantile, banking and other firms. Except in a small number of cases. This has been followed by strikes to enforce the demands of the unions. This has swelled the number of strikes, though they are not likely to affect industrial production except indirectly. But it must be admitted that when due account is taken of all these factors, there is no denying that the number of strikes involving industrial production have increased substantially. As figures stand, the number of strikes increased by 98.7 per cent. in 1946 over those of 1945. When allowance is made for the two points mentioned above, we might conclude roughly that the increase in the number of strikes was by 90 per cent.

Against this background, let us examine the position during the years 1938 to 1945 as given below.

	No. of Strikes	Output of cotton piece- goods (m. yds)	Factory Sugar (m. tons)	Paper (m. cwt)	Coal (m. tons)	Steel Ingots (m. tons)
1938	399	4269	0.65	1.18	24.8	0.98
1939	406	4012	1.24	1.42	25.0	1.07
1940	322	4269	1.09	1.75	26.1	1.28
1941	359	4493	0.78	1.87	26.5	1.36
1942	694	4109	1.07	2.02	25.5	1.30
1943	716	4871	1.27	2.02	22.5	1.37
1944	658	4727	0.95	2.00	24.1	1.27
1945	820	4676	0.94	1.92	26.5	1.31

Thus during the period 1938-45, the number of strikes increased from 399 to 820, *i.e.* an increase of about 105 per cent. The number of workers involved increased by about 86 per cent., *i.e.*, from 401,095 to 747,530. In spite of this increase in the number of strikes, the output of almost every important commodity increased during the same period. It seems that our industrialists were able to maintain and increase production all round during the war even when the number of strikes increased by more than 100 per cent.

	Average number of man-days lost per worker				
1938	22.4
1939	12.2
1940	16.7
1941	11.4
1942	7.5
1943	4.5
1944	6.3
1945	5.4

What is the explanation of the anomaly? Why is it that output actually increased in the face of mounting statistics of strikes? The explanation is partly to be

found in the statistics about man-days lost per worker. If the workers on strike remain idle for a shorter period during a particular strike than during a second strike, the loss in output is likely to be smaller during the first strike than during the second.

On the whole, with one exception, the average number of man-days lost per worker through strikes has been continuously falling, even though the total number of strikes has more than doubled during the same period. That may be an explanation why the output in the major industries increased in spite of the increase in the aggregate number of strikes. There is, we think, some amount of correlation between the two sets of figures. The lowest number of man-days lost is in 1943, which also saw the maximum production in a large number of industries. The number of man-days lost per worker increased from 4.5 in 1943 to 6.3 in 1944; production figures also registered decline in many industries. Now, though the number of strikes increased substantially in 1946 as compared to 1945, the number of man-days lost per worker was only 6.4, a figure nearly equal to that of the year 1944, and substantially below the figures of all the war years excepting 1945. The increase in the figures of man-days lost per worker does not lead one to expect any remarkable fall in the production of major commodities.

After 1946, the rate of increase in the number of strikes has certainly slowed down. The actual number of strikes in 1947 is of course more than that of 1946. But in this connection, a second point may be noted. Not all strikes affect production equally. Strikes lasting a few days are of course a symptom of industrial unrest, but they are not the cause of severe economic loss. From the economic point of view, strikes of longer duration cause more damage to production than those lasting a day or two. If we look to the figures of the average duration of strikes, the situation will appear more assuring in 1947 than in 1946. In the quarter ending September,

1946, only 16 per cent. of the total number of strikes lasted a day or less, and 44 per cent. of the total number of strikes lasted from one to ten days. During the same quarter in 1947, 37.2 per cent. of the total number of strikes lasted a day or less, and 40.6 per cent. lasted from 1 day to 10 days. In the last quarter ending December, 1946, 30.4 per cent. of the total number of strikes in the same period lasted a day or less, and 33.4 per cent. lasted from 1 day to 5 days. During the same quarter in 1947, 46.2 per cent. of the strikes lasted a day or less, and 33.8 per cent. lasted from 1 day to 5 days.

It is clear, therefore, that the average duration of strikes in 1947 has decreased in comparison with that of 1946. During the four quarters of 1947, the percentage of strikes lasting from 1 day or less to 5 days increased from 57.2 per cent. of the total number of strikes in the first quarter, to 66 per cent. in the third quarter, and to 70 per cent. in the last quarter. The number of strikes lasting from 20 days or more which are likely to lead to substantial reductions in output, formed 17.1 per cent. of the total number of strikes in the first quarter of 1947 to 9 per cent. in the last quarter of that year. Thus in 1947 as compared to 1946, while the number of strikes of shorter duration has substantially increased, the number of strikes of longer duration has fallen by a good percentage. Thus the restrictive influence of strikes on production should not be as large as is hastily assumed by looking only to the statistics.

Thus on all accounts, it is clear that the fall in the level of production in 1946 and 1947 should not be ascribed only to the increasing propensity of labour to go on strike.

COLLABORATION

The conditions of employment of the Indian worker are such that he is apt to be cynical about proposals for collaboration between himself, the employer and the Government, which do not hold promise of immediate econo-

mic advantage. The realisation has grown in him that there are no "national interests" which exclude his own; that drives to increase output are of value only in so far as they lead to a better standard of life for himself and his class who really make the nation; and that without his willing co-operation no effort to step up production can really succeed. The crisis that faces Indian industry today in this respect is one of elevating the worker from the status of an exploited wage-slave to that of an important element in the productive process as well as securing for him as great a share in the returns from industry and of the surplus value of his own labour as for any other agency of production. Employers may not readily agree to this democratic conception of the role of the worker in industry, but collaboration can become useful only on the basis of a free and equal partnership. It is only when it is recognised that collaboration means the extension of the principle of democracy, whose necessity in the political field is generally accepted, to the social and economic fields, that methods to carry it out into practice can be of any value.

Whether employers like it or not, the development of labour-management co-operation has become indispensable in India to keep the machinery of production running without frequent interruptions. Moreover enlightened capitalism in Western countries has come to regard intelligent association of labour in the management of industry as necessary to prevent a sudden shake up in the foundations of society. It has even begun to welcome suggestions for such co-operation. Faced with a similar situation in Britain at the beginning of the war in regard to production as we do today in India, the British Government took steps, in response to persistent demands from trade unions, to associate them in the application of war-time social policy. This association gradually expanded, as the war intensified, into the "widest fields of economic and social life from the individual workshop into the

national Government, in order to harness all the nation's resources to the war effort." The result of this association was an increase over a short period of one-third in the total production. It may not be feasible in the present stage of the development of the trade union movement in India to associate labour with every department of Government through advisory councils on which labour is represented. Britain's experiment was successful because the trade union movement in that country could provide the men with the necessary experience and knowledge from its ranks to take part in the responsibilities of government. A similar mobilization of effort and resources is however not impossible in India. But before that can become possible a basis of agreement has to be found, either at the instance of the Government or through a more enlightened view of the relative importance of the various factors employed in production, on those aspects of industry which concern the social welfare and standards of living of workers. In war-time Britain, all considerations were subordinated to the supreme objective of producing enough material for the war. Britain had in addition the advantage of a unified and powerful trade union movement and central organizations of employers who could be relied upon to comply with decisions jointly arrived at. It had also a tradition of collaboration and collective bargaining which was of immense value in devising the methods for tripartite consultation in industry under the conditions of speed and urgency necessitated by the war.

The fact that we do not possess these advantages and that the technique of collective bargaining has not reached as high a degree of perfection is no reason to doubt the efficacy of methods of co-operation as a means to industrial peace in India. If labour is politically and economically conscious enough to be a party to a truce offered for a patriotic purpose it should also be regarded as a party with a sense of responsibility adequate for full

co-operation. As for the disorganized state of Indian industrial labour, this again is no valid reason to put off efforts at seeking collaboration with it. Trade organizations in America were divided between two rival federations—the A.F. of L. and the C.I.O.; rival unions existed in the same industry and sometimes in the same workshop. Similarly there were various associations of employers, each rivalling with the other for political influence and power. These divisions though vastly complicating the process of collaboration did not prevent suitable methods being evolved for it. If there is a lack of enthusiasm on the part of the employers and Government to set up agencies for co-operative effort in industrial production, there is also a reluctance on the part of trade union organizers to welcome them, mainly because trade union work hitherto has been preponderantly agitational and scarcely constructive in India. The establishment of joint machinery need not be regarded as means to prevent the labour movement attaining its full stature. Even in countries where society is organized mainly on socialist lines, methods to establish co-operation between workers and the management (whether private employers or the State) has been found to be necessary.

It has to be remembered by those who plead for joint machinery that the procedure found useful under the stress of war or other national emergency need not be practicable or sufficient for the purposes of normal times. Under the conditions of peace time production economic and social interests are bound to assume prominence in consultations between labour and employers. The elaborate machinery that came into existence in Britain during the war in their reversion to peace-time uses have come to be more and more instruments to supplement the devices for collective bargaining and therefore have more important economic functions.

The machinery that is now proposed to be formed in India should have as their most important duties re-

gulation of the conditions of employment from which most trade disputes arise. It is futile to imagine that the co-operation of workers in production could be secured by merely consulting them through committees set up by election on technical matters of production, like improvements in manufacturing processes or full utilization of plant. The workers in the majority of industries do not have enough experience or the requisite skill to advise on such matters. Except in rare cases the consultative machinery from this point of view will tend to become councils where the voice of the employer will always prevail. Collaboration in this sphere can be of use to workers to the extent that they can educate themselves in regard to technical management—a sphere from which they have hitherto been rigidly excluded.

The immediate practical value of tripartite collaboration in industry will depend on the extent of powers given to joint committees to initiate and execute social and economic policy. To confer only advisory functions regarding issues which concern the economic interests of the workers on the joint committees and leave matters of dispute to be resolved by arbitration authorities would mean just a continuation of the existing state of affairs. The creation of these jointly represented bodies will not in that case contribute materially to the solution of the production crisis. It may even result in further industrial strife as labour's opposition to the present policy and methods of arbitration grow in strength. Joint Councils to be of positive good in implementing the truce agreement of last December must have statutory rights of decision on social and economic issues. But again it is precisely on these issues that joint decisions are difficult. Such problems in the organisation and functioning of Works Committees and the innovations in collaboration methods that we can make, profiting from the experience of other countries will be dealt with in another issue.

A recent pamphlet issued by the Labour Party in Britain containing proposals to make Joint Production Committees more effective suggested that the worker in industry should be given full details of output and production policy, and the financial position and disposition of profits of his firm, with the right to criticise. To this information the worker is said to be entitled because his right to information "is far greater than that of the shareholder." It has been the experience in Britain that with the patriotic incentive of the war now removed, exclusion of subjects like production and financial policy from the subjects dealt with by the Committees has meant a virtual decline in their usefulness. In fact, a recent authoritative estimate said that the joint machinery at the plant level "is creaking badly in spite of the efforts of the Ministry of Labour and the TUC to resuscitate these bodies." It will not do for us therefore to reproduce these Committees in India in their original as regards composition, functions and rights—as the Government of India apparently seem to be doing.

The movement for co-operative effort in industry in Britain began from the top, at the national level and subsequently extended to regional collaboration. Co-operation in the unit sphere was the culmination of this process, taking practical shape after national and regional collaboration had become well established. This method of decentralisation was possible mainly because of the highly centralised and unified system of national and industrial organisation of workers and employers in Britain. As already pointed out in the last article, conditions in India in this respect are vastly different. Though many strong unions of workers do exist in individual factories, national unions in industries are too few and wherever they exist, are not sure of commanding the loyalty of the workers in the industry as a whole, due to political differences with local leadership. On the employers' side, conditions are hardly better. In the absence of organiza-

tions which can act on behalf of the entirety of organized workers or employers, either nationally or industrially, joint machinery at the factory level takes the most important place in the co-operative structure. Insufficient comprehension of this fact can only result in an enforced system of collaboration, from which the spirit of co-operation so essential for success will be absent. If the greatest measure of co-operation between labour and management as a means to increased production is to be achieved, the factory must be made the starting point in a larger scheme of joint work.

Recognized as the base on which collaboration is to be built up, joint machinery in the factory must be made competent to deal with all matters that concern management of production and with problems that may interrupt and tie up work in the factory. Its functions will have to cover subjects ranging from wages and conditions of work to maximum use of machinery and elimination of absenteeism. The Joint Production Committees (and the Works Committees which preceded them) in Britain were specifically prevented, under the conditions of the agreement between unions and employers, from dealing with questions concerning wages and hours of work. These limitations on the functions of the Joint Committees were necessary and accepted because economic issues were already covered by collective agreements between trade unions and employers in the industry. The Joint Committees were not meant to interfere in the rights of trade unions in this domain. In India machinery for collective bargaining is undeveloped and in any case standards of wages and work vary so widely from area to area, that even if the organization were available a collective agreement for an industry would have become impracticable. Recent attempts at standardisation of wages industrially in particular areas have proved well nigh disastrous. Collective agreements in industry being out of the question for the present, conditions of work and employment are issues

dealt with between workers and managements in factories individually. The Works Committee as the representative of the workers and the employer in a factory can become the fully authoritative body to deal with such questions. This basis for the establishment of Works Committees will alter their character radically from the recognized practice in Great Britain and invest them with an essentially economic purpose. This is all the more important because the causes of labour unrest in India are most often related to wages, hours of work, share in the profits and other economic reasons than to any department of work directly concerned with production. To fulfil their their social and economic functions efficiently, it becomes essential for Works Committees—and specially the workers' representatives on it—to be provided with full information regarding the financial position of the firm, and expenditure and profits and to have access to records and accounts. The employees can have satisfaction that the employer is living up to his obligations under the "truce" in no other manner.

Appointment of management's representatives by the firm and election of employers' representatives by workers has been the recognized principles for composition of the Works Committee. The purpose of the Committees in India being mainly economic, labour representation on them has to be based on the workers' organizations so that any decision made can be enforced on the workers' sides through the trade union. A model constitution for Works Committees suggested by the Ministry of Labour in Britain in 1918 stated that "in order to secure cohesion of policy between the Works Committee and the District and National Councils, it is advisable that the Works Committee should normally be based on a recognition of workpeoples' organizations." This principle worked out in practice meant that membership of Works Committees was restricted to trade unionists while the electorate consisted of all the workers in the factory. The

method of elections by all the workers cannot be adopted in India consistent with the objects of joint machinery and the contribution it is expected to make to the solution of the production crisis. The Labour Minister in the Government of India speaking on a cut motion in Parliament stated that in the formation of Works Committees, he was not going to recognize any trade union. The necessity for labour representation on the Committees through the trade union can be ignored only at the risk of restricting their effectiveness and to that extent of labour-management co-operation as a whole.

Apart from the barrier to co-operation, the Government's attitude will encourage employers to initiate a planned attack on workmen's organizations who will have very few real functions, once the right of representation on these Committees is removed. Control of the Works Committees by managements can be prevented and the work of the Committees co-ordinated with the Union and the regional and national machinery for collaboration only by investing the Unions with the right of returning representatives on these Committees. Where more than one union exist in a factory it will be clearly necessary to recognize the union with the largest membership. Thus only can the most representative of the workers find their way to these Committees. The election in addition should be conducted by ballot and under the supervision of the trade union. No interference in the election by the management should be allowed, if representation is to be effective.

The importance attached to the economic functions of the Works Committees and their recognition as the fundamental part of the collaboration machinery does not overlook the vital role of the Committees in purely production takes. As a basis for consultation in this sphere the suggestions made in the model constitution prepared by the British Ministry of Labour may be found acceptable. The duties of the Works Committees will cover

subjects like "maximum utilisation of machinery, upkeep of fixtures, jigs, tools and gauges; improvement in methods of production; efficient use of the maximum number of productive hours; elimination of defective work and waste; efficient use of material supplies; and efficient use of safety precautions and devices."

Nor does the recognition of the importance of unit committees exclude the necessity for regional and national collaboration. Subjects like supply of available raw material, arrangement of transport, etc. can be dealt with successfully only at regional or national levels. The transport "bottleneck" in India is as serious a cause as labour unrest for the decline in production; its elimination can be attempted only on a regional or national basis. Regional and national collaboration will also have important economic purposes. The Labour Minister stated in the Assembly that the Government propose to set up a number of regional and central committees which would study questions relating to fair return on capital, fair wages and sharing of profits. The activities of regional and central boards in this direction will have to be confined to enunciation and agreement on broad principles, leaving the details to be discussed and settled in the factories.

The inadequacy of organization will beset any scheme of collaboration decided at the top levels. Hence a relationship that establishes a direct link between the units and the central authority may be expected to produce the largest results. The Government of India could as a direct method for implementing the three-year "truce" introduce a system of collective contracts like those adopted in Soviet Russia for the purposes of the Five Year Plan. The Government, the employer and the workers will be parties to the collective contract, whose object will be the achievement of production targets within the period specified in the contract. The contract will cover every aspect of production—wages, hours, technical organization, labour security and welfare—and prescribe obli-

gations of labour and management in regard to them. Punishment extending to confiscation of ownership for infringement in the case of employers and forfeiture of claims in the case of workers can be provided to secure obedience to the contract.

The system of collective contracts seems an eminently practicable method for increasing production in the existing disorganised state of industry in India. For placing the worker's point of view while drawing up collective contracts and for the actual work of production on the basis of the contracts as well as supervision Works Committees can become extremely useful instruments.

Works Committees: Both the working class movement and the needs of industrial productivity and development in India demand the immediate recognition of Labour as a prime participant in the production process. It is being generally though reluctantly, conceded that so long as we continue to consider Labour as a commodity and a factor of production, neither increasing production nor industrial peace, which is its prerequisite, will be achieved. The Industrial Truce of the Tripartite Industries Conference had to recognise this co-partner status of Labour in Industry, though in a very vague and circuitous way. That few of the measures agreed upon on that occasion as the executive counterpart of such recognition, have been fully or properly implemented, does not minimise the vital importance of the recognition of the principle itself.

On the financial side, the co-partner status of the worker—acceptable to Labour only as an emergency measure—must imply firstly, a fair wage which will bring about a progressive improvement in his standard of living and secondly an adequate share in the surplus profits of the industry. Within the industry or the factory such co-partnership must give him a collective say in management and control, both in matters of policy and administration. The Works Committee is the instrument

through which Labour can exercise its share of control in management. It is only as such an instrument of joint control that the Works Committee has any significance in the industry or in the eyes of the worker. It is not merely nor primarily a mechanism for adjustment of employer-employee disputes.

The prime function of the Works Committee is to evoke from the worker the optimum effort in the working of the undertaking, by giving him and his views a status on par with that of Capital. This it must do by laying down proper production policies and by supervising the administration in the best interest of the undertaking, in short by creating for the workers a collective stake in the credit or discredit of the undertaking. If it fails to inspire in the worker the urge to put in his best effort it will have no justification for existing.

The Works Committee can perform this function effectively only if it is conceived on an adequately wide basis and clothed with sufficient powers. It can, for instance, help to lay down correct production policies only if it has access to all the relevant material, facts regarding finances, balance sheets, purchase and sale accounts, market conditions and so on. It would also have to have a say in the determination of the levels of workmanship and the type of raw materials.

In the administration of the undertaking also the Works Committee will be able to discharge its duties adequately if it is of a sufficiently representative character and enjoys wide powers. Minimising and eliminating inter-departmental time and material losses, keeping friction between the employers, officers and workers at a minimum, looking after welfare activities of workers, safeguarding their rights of organisation—these will be some of the duties the Works Committee will be called upon to discharge. In fact every matter that is today considered a preserve of the employers will have to be thrown open for joint control through Works Committees.

A Works Committee of the scope indicated above need not be considered useful or desirable only in the present set-up of Indian industry dominated by private enterprise and the profit motive. In nationalised industry also the Works Committee has an important role to play, perhaps one more important than in private undertakings. The profit motive is substituted in nationalised industry by planned social consumption as the purpose of production. But the need remains for smooth working, high efficiency, good workmanship and low time and material losses. The Works Committee will be responsible for the maintenance of these. The targets of production planned for the undertaking will have to be reached and it will be the job of the Works Committee to see that they are reached.

Obviously the Works Committee that is not really representative of the workers or has not adequate jurisdiction will defeat its own purpose and be reduced to an ineffective superfluity, when judged by its competence or otherwise to perform the above functions. There exists, however, another way of looking at the Works Committee. It can be looked upon as a flattering concession to Labour and is also entirely harmless to Capital. All that has to be done to convert the *bona fide* Works Committee into a puerile and ineffective one is to limit within very narrow bounds its powers and jurisdiction. Such a Works Committee then becomes an apology for the genuine thing. It is intended to give a false satisfaction to the worker that he too is having his say in the management of the undertaking.

We have before us, today, a few patterns of Works Committees which it may be profitable and interesting to study. The Bombay Industrial Relations Act, 1946, provides for the establishment of Joint Committee under certain conditions and with certain powers. The Industrial Disputes Act of the Government of India also contains provisions for the establishment of Works Commit-

tee of some type. While the exact details of the establishment and the procedure of work of these Committees are different, they both seem to be conceived as mechanisms for dealing with industrial disputes. The Bombay Act provides that a Joint Committee may be formed only when a Trade Union with a stipulated membership proportion exists and that such a Union alone can participate in the formation of the Committee. The jurisdiction of the Committee is not specifically defined. It is quite clear from the Act itself that the Joint Committee under it will have to limit its activities to the representation of grievances and resolving disputes. Any positive effort at improving efficiency, eliminating losses or regulating welfare activities in the best interest of the workers seems to be beyond the scope of this Joint Committee. In effect, this Joint Committee is likely to be unrepresentative and powerless.

The provision for Works Committees in the Industrial Disputes Act of the Government of India is not conditional upon the existence of a Trade Union with stipulated membership proportion. An attempt is also made to make it representative while still recognising the importance of associating the Trade Union with it. In this respect it is more representative and can come into existence more easily than the Joint Committee under the Bombay Act. Even this potential "representativeness," however, can be destroyed during the actual enforcement by Provincial Governments, as has been shown by the action of the United Province Government. The U.P. Government have made a sweeping decision that for the purposes of formation of Works Committees the INTUC will be considered the representative organization of the workers. This has already created situation like the one at Kanpur, where the workers refuse to let the INTUC represent them and hence the Works Committee cannot come into being.

In its jurisdiction and functions, the Works Committee of the Central Act seems to be almost as cramped as the Joint Committee of the Bombay Act. A provision made in an Industrial Disputes Act can hardly be sufficient regulation for creating bodies like the Works Committees controlling the various aspects of the working of an undertaking. In fact one cannot escape the conclusion that the Committees provided under both the pieces of legislation are intended to placate the worker rather than to give him an effective and real share in the management of the undertaking.

As a contrast to this pattern of the Works Committee there is another set out in the French legislation on the subject. Here the jurisdiction of the Committee is so extensive as to cover every branch of the policy and administration of the undertaking. The Committee has access to all the documents of the undertaking and has to be consulted before the final balance sheet is placed before the share-holders. It can send representatives to attend the meetings of the Board of Directors and can advise both the Company and the Government on the fixation of prices for the products of the undertaking. It invites and considers suggestions for improvements in processes and efficiency. It controls all the labour welfare institutions and supervises the operation of the Standing Orders. In fact it performs all the functions that the Management and the Trade Union are normally expected to perform in the working of the factory. Care is also taken that the Works Committee can come into being in a reasonably short time and that it can be really representative of the workers without undermining the influence of their Union.

Obviously this latter pattern constitutes the genuine Works Committee as an instrument for joint control. Substitute patterns devised to placate only serve to discredit the Works Committee and make the worker suspicious of the talk of share in management. This in turn,

is bound to undermine, if not defeat, all attempts to implement the Industrial Truce. Neither the talk of profit-sharing nor appeals to increase production will cut ice so long as the worker is not lifted from his present state of a mere cog in the wheel to that of an active intelligent, effective participant in the production process.

Scope and Limitations of Works Committees:—

That an industrial establishment should have a joint committee composed of representatives of employer and workpeople, entrusted with the task of regular consideration of matters affecting the progress and well-being of the trade and securing the workpeople a greater share in the responsibility for the determination and observance of the conditions under which their work is carried on, has been a long-standing demand of the workers.

In Great Britain, such joint committees were conceded after the first World War, and in other industrially advanced countries, like France and Sweden, such committees, with wide powers, have been statutorily set up. These committees seek not only to improve the employer-employee relationship but also to improve production and evoke the best of the worker for the industry.

In India, the Industrial Disputes Act of 1947 has made provision for Works Committees. Section 3, of that Act, that deals with Works Committee, reads as follows:

“(1) In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may, by general or special order, require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the establishment so, however, that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the employer. The

representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under the Indian Trade Union Act, 1926 (XVI of 1926).

“(2) It shall be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and workmen and to that end to comment upon matters of their common interest or concern and endeavour to compose any material difference of opinion in respect of such matters.”

APPLICATION IN BOMBAY

These vague sentiments have been concretised through the Rules framed, under the Act, by the Government of India in August 1947.

These Rules have been extended by the Government of Bombay, through their Notification of 21st and 27th August 1947, to 365 industrial establishments in the province of Bombay. Of them 265 are located in Bombay city and suburbs, and the rest almost equally divided between Gujarat and Maharashtra.

The Industrial Disputes Act applies to those industries only to which the Government of Bombay have not extended its Industrial Relations Act. That Act has been applied to the textile industry, traffic transport, sugar and banks. The Works Committees in the establishments in these industries and occupations, are organised in accordance with the provisions of Sections 48 to 53 of the Bombay Industrial Relations Act, 1946. A comparison of the two sets of Rules will be made later.

THE RULES

Before we offer our comments on the Rules framed by the Government of India, it would be useful to reproduce those Rules here:

“32. *Constitution*—Any employer to whom an order made under sub-section (1) of section 3 relates shall

forthwith proceed to constitute a Works Committee in the manner prescribed in this Part.

“33. *Number of members*—The number of members constituting the Committee shall be fixed so as to afford representation to the various categories, groups and classes of workmen engaged in, and to the sections, shops or departments of, the establishment:

Provided that the total number of members shall not exceed twenty:

Provided further that the number of representatives of the workmen shall not be less than the number of representatives of the employer.

“34. *Representatives of employer*—Subject to the provisions of these rules, the representatives of the employer shall be nominated by the employer and shall as far as possible, be officials in direct touch with or associated with the working of the establishment.

“35. *Consultation with trade union*—Where any workmen of an establishment are members of a registered trade union, the employer shall ask the union to inform him in writing—

(a) how many of the workmen are members of the union, and

(b) how their membership is distributed among the sections, shops or departments of the establishment.

“36. *Groups of workmen's representatives*—On receipt of the information called for under rule 35, the employer shall provide for the election of workmen's representatives on the Committee in two groups—

(1) those to be elected by the workmen of the establishment who are members of the union or unions, and

(2) those to be elected by the workmen of the establishment who are not members of the union or unions,

bearing the same proportion to each other as the union members in the establishment bear to the non-members:

Provided that where more than half the workmen are members of a union, no such division shall be made.

“37. *Electoral Constituencies*—Where under rule 36 the workmen’s representatives are to be elected in two groups, the workmen entitled to vote shall be divided into two electoral constituencies, the one consisting of those who are members of a union and the other of those who are not.

Provided that the employer may, if, he thinks fit, subdivide the two electoral constituencies and direct that workmen shall vote in either by groups, sections, shops or departments.

“38. *Qualification of candidates for election*—Any workmen of not less than 19 years of age and with a service not less than one year in the establishment may, if nominated as provided in these rules, be a candidate for election as a representative of the workmen on the Committee;

Provided that the service qualification shall not apply to the first election in an establishment which has been in existence for less than a year.

“39. *Qualifications for voters*—All workmen, other than casual employees, who are not less than 18 years of age and who have put in not less than 6 months’ service in the establishment shall be entitled to vote in the election of the representatives of workmen.

“40. *Procedure for election*—(1) The employer shall fix a date as the closing date for receiving nominations from candidates for election as workmen’s representatives on the Committee.

(2) For holding the election, the employer shall also fix a date which shall not be earlier than three days and later than ten days after the closing date for receiving nominations.

(3) The days so fixed shall be notified at least seven days in advance to the workmen and the union or unions concerned, such notice shall be affixed on the notice board

or given adequate publicity amongst the workmen. The notice shall specify the number of seats to be elected by the groups, sections, shops or departments and the number to be elected by the members of the union or unions and by the non-members.

(4) A copy of such notice shall be sent to the union or unions concerned.

“41. Nomination of candidates for election—(1) Every nomination shall be made on a nomination paper in form “H” copies of which shall be supplied by the employer to the workmen requiring them.

(2) Each nomination paper must be signed by the candidate to whom it relates attested by at least two other voters belonging to the electoral constituency and shall be delivered to the employer.

“42. Scrutiny of nomination papers—(1) On the day following the last day fixed for filing the nomination papers, the nomination papers shall be scrutinised by the employer in the presence of the candidates and the attesting persons and those which are not valid shall be rejected.

(2) For the purpose of sub-rule (1), a nomination paper shall be held to be not valid if (a) the candidate nominated is ineligible for membership under rule 38, or (b) the requirements of rule 41 have not been complied with.

“43. Voting in election—(1) If the number of candidates who have been validly nominated is equal to the number of seats, the candidates shall be forthwith declared duly elected.

(2) If in any constituency the number of candidates is more than the number of seats allotted to it voting shall take place on the day fixed for election.

(3) The election shall be held in such manner as may be convenient for each electoral constituency,

(4) The voting shall be conducted by the employer, and, if any of the workmen concerned belong to a union, by such of them as the union may nominate.

*“44. Arrangements for election—*The Committee shall be responsible for all arrangements in connection with the election.

“45. Officers of the Committee—(1) The Committee shall elect office bearers including one Chairman, one Vice-Chairman and two Joint Secretaries.

(2) The Chairman shall be nominated by the employer from amongst the employer's representatives on the Committee.

(3) The Vice-Chairman shall be elected by the Committee from amongst the workmen's representatives on the Committee.

(4) The two Joint Secretaries shall be elected by the Committee from among the representatives of the employer and of the workmen respectively.

“46. Term of office—(1) The term of office of a workmen's representative on the Committee, other than a member chosen to fill a casual vacancy, shall be two years.

(2) A member chosen to fill a casual vacancy shall hold office for the unexpired term of his predecessor.

*“47. Vacancies—*In the event of a workmen's representative ceasing to be employed in the establishment or in the event of resigning the membership in the Committee, his successors shall be elected from the constituency to which the member vacating the seat belonged.

*“48. Power to co-opt—*The Committee shall have the right to co-opt in a consultative capacity, persons employed in the establishment having a particular or special knowledge of a matter under discussion. Such co-opted members shall not be entitled to vote and shall be present at meetings only for the period during which the particular question is before the Committee.

“49. *Number of meetings*—The committee may meet as often as necessary but not less often than once a month.

“50. *Facilities for meetings, etc.*—The employer shall provide accommodation for holding meetings of the Committee. He shall also provide all necessary facilities to the Committee and to the members thereof for carrying out the work of the Committee.”

Before we turn to major criticisms, we would like to comment on some minor points, some faults of omission and commission.

The distribution of seats among the various categories and the allocation of personnel to the different electoral groups are tasks capable of causing friction. To avoid misunderstanding, the French Act therefore wisely provides that these matters be “the subject of an agreement between the head of the undertaking and the Trade Union Organisations concerned.” The absence of this salutary provision will lead to much avoidable conflict.

There is no specific provision for holding the election by secret ballot.

There is no provision for recall of a member who forfeits the confidence of the workers.

There is no provision, as in the Danish Act, for keeping the salaried and manual workers informed about the activity of the Committee. It would be necessary to allow a member the use of some time, paid by the employers to carry out his duties in and outside the committee. The French Act allows a delegate a maximum of 20 hours per month exclusive of the time actually taken up by the meeting of the Committee.

There is again no provision for requisitioning a meeting of the Committee.

Some further desiderata need to be filled up: the agenda should be circulated at least five days in advance, so that the members might consult other workers; the minutes of every meeting be circulated to members and finally the “head of the undertaking or his representative

must, at the meeting of the Committee following the circulation of the minutes declare any decision which he has reached as a result of the proposals which have been submitted to him. Such declaration shall be recorded in the minutes." (*Art 18 of the Law on Works Committee in France*).

The head of the undertaking must further be directed to not only provide suitable premises for the Works Committees but also equipment and the necessary staff for its proper working.

Another salutary provision absent in the Rules framed by the Government of India is the provision of Article 22 of the French Act: "When an employer proposes to dismiss any delegate serving on a Works Committee he must obtain the consent of the Committee."

The above criticisms deal with the details of the Rules, which the Government of India, if they choose, can easily set right. But there are defects in the scheme which go to the very heart of the Act. They may be grouped under three heads: (i) the scope and functions of the Committee, (ii) the Committee's relations with the trade union or unions in that industry, and (iii) the place of Works Committee in the general industrial frame-work.

As we have seen above the scope of the Committee, defined in Section 3 (ii) of the Industrial Disputes Act, is vague and unsatisfactory. The functions of similar Committees, in other countries, are usually threefold: (i) social, (ii) technical, and (iii) economic. The first, social function, deals with questions of welfare, safety, health, stability of employment and similar matters. The technical function is concerned with the effective and appropriate organisation of work—such as the best means of utilising machinery, equipment and raw material, job distribution, etc., with the object of improving production, individual efficiency and, so, reducing cost. It also includes promotion of technical training and encourage workers' initiative, through rewards, etc., in improving conditions

and methods of work. The economic function includes possession of information on the undertaking's position, production conditions, trade and sales prospects. It also covers information regarding accounts or balance sheet, and in some countries, like France, two representatives of the Works Committee are entitled to attend meetings of the Board of Directors in an advisory capacity.

The scope and functions of our Works Committees are so limited that it is unlikely to yield the best it is capable of giving to production and to improve industrial relations. The least the Government can do is now to enlarge the functions of the Works Committee to include all that is included under the heads of "social" and "technical" above. The "economic" functions might be delegated to the Committee after some experience has been gathered by it.

The next major defect is the absence of well defined relationship between the Works Committee and trade unions. The British Trade Union Congress, for instance, insists that "in the individual undertakings Works Councils, representative of management and workpeople should be established to deal with matters other than those covered by established negotiating machinery. The workers' side of these Councils should be organised by the trade unions." (*Para 22, Interim Report on Post-war Reconstruction of the British TUC.*) In all advanced industrial countries the workers' representatives on the Works Committees are nominated or controlled by the trade unions.

Even in our country, the Bombay Industrial Relations Act, in its provisions on Joint Committees (Sections 48 to 53), provides for intimate connections between the Joint Committees and the trade unions.

The least that the Government should do to forge links between Works Committees and trade unions is to provide for the attendance, in an advisory capacity, of an

official of the recognised trade union in the Works Committee.

Excluding wholly non-workers from the Works Committee was tried out in the U.S.A. It led to the formation of company unions. The NRA had to drastically revise this policy between August 1933 and July 1934. American experience is decisive on two points: absence of links between the Works Committee and the trade union, and prohibition on attendance, even in advisory capacity, of non-worker trade union officials are fatal to the health and integrity of the labour movement.

In our country, the educational and cultural backwardness of our workers, imposed on them by the use of English language in business and administration, threatens to further weaken the value of the Works Committee to production or the labour movement.

It is true that in the United Kingdom, the workers' representatives on the Works Committees consist wholly of workers in the undertaking concerned, but that is so because the Works Committees are set the farmework of Joint Regional Committees and National Committees on which sit the officials of the trade unions. Without that safeguard the Works Committees would become rival to the trade unions and thus disrupt the labour movement.

If the Works Committees are set in the proper framework of industrial relations, they can become instruments of increasing industrial efficiency. In Great Britain, this machinery is estimated to increase production, even on the most conservative estimate, by 20 per cent. Through improved works information and job organization each operative is made to see how his particular task fits into the national effort, as a whole. The British Government sponsored monthly bulletin, *Target*, carries such information to the 12,000 manufacturing firms in Britain which each employ more than 100 workers. "Indeed, one of the main purposes behind the drive for better Works infor-

mation," writes F. H. Happold, discussing the vital role of Joint Committees, in augmenting industrial output, "is to revive the joint consultation committees, which played such an important part in raising the level of war production." The Government of India seem to lack this perspective.

The technical and economic functions of the Works Committee have not been fully appreciated by the Indian Government. Their obsession with the social functions truncates the full value of Works Committees.

Apart from these defects, there are certain other dangers in the working of the Works Committees.

Will the employer nominate, as his representatives on the Committee, members of the technical and supervisory staff? For long has the employer maintained an antagonism, covert or overt, between the workers and technical and supervisory staff. The labour movement is just moving towards welding the two sections of the workpeople into homogenous organisation. The Works Committee, unless precautions are taken, threatens to undo the achievement.

The right to demand the list of members of a trade union in an industrial establishment, given to the employer under Rule 35, might adversely affect the members concerned especially in an establishment where trade unionism is weak, or is just gaining a foothold.

The Works Committee is no substitute for the trade union. The two have different functions and the strength of the Works Committee is in accordance with the strength of the Union. As the Rules stand there is the danger of the employers, and even the Government forgetting this sovereign fact.

Under no circumstances must the Works Committee be allowed to usurp the rights and responsibility of the trade union—such as, determination of wages, hours of work, the quantum of bonus. These matters must be settled through the machinery of collective bargaining.

Unless the domains of Works Committee and trade union are kept quite distinct—especially under the Government of India's Rules where the trade union has little control over the Works Committee—there will be industrial dislocation.

With all the defects and inadequacies of the Rules governing the formation of Works Committee, it would be wrong to non-co-operate. Only by sending conscious workers on the Works Committee can the labour movement hope to expand its scope and clothe it with new powers and responsibility.

The questions that affect all workers—of recruitment, discharge, promotions, punishments, leave, shifts—may be partly regularised through proper Standing Orders, but their proper solution needs the over-all supervision of the Works Committee.

These Committees can lead to the unfolding of industrial democracy; not in what it is but in what it can become is the real value of the Works Committee.

The promise can be hoped to be realised if the workers function alertly and unitedly. There must be a growing co-ordination, through pooling of experience, exchange of information, etc., among the members of the Works Committee. The Labour College must, likewise appropriate courses of study to train up the members of the Works Committee to fulfil their responsibility as vigilant guardians of the workers and the community in industry.

The greatest care has to be taken in selecting the right people for, and getting the utmost out of the Rules in, the Works Committee. It would, therefore, be useful to workers to contact the Socialist Party or the Hind Mázdoor Panchayat for the necessary help and guidance.

An investigation into the reasons for the deterioration in the quantity and quality of production in an important engineering plant was made recently by Mr. William Adischaiah, Professor of Philosophy in the St.

Stephen's College, Delhi. The results of his investigations were presented in the form of a paper on "The Psychological Causes of Unproductive Working Time" at a public lecture organized by the School of Economics of the Delhi University. The investigations were carried out in a plant manufacturing agricultural tools and implements belonging to the Tata group of industries in Jamshedpur and covered a period of five weeks.

PERCENTAGE OF EFFICIENCY

The methods employed in the investigation were meant to collect data relating to the variations in workers efficiency, the extent of unproductive working time and the workers' psychology. The percentages of efficiency of workers were calculated on the basis of the average time taken for particular operations during different hours, in different sections of the plant and on different days. The average hour-to-hour variation in efficiency, arrived at according to these calculations, showed a rise in efficiency at the beginning of the shift, followed by a steady fall probably due to fatigue during the course of the shift and an "end spurt" showing higher efficiency in the closing hours. The fluctuations on the hourly calculation followed the expected pattern. But on the weekly basis, it was found that efficiency did not vary according to conventional ideas—a high rate of efficiency being registered on odd days. Similarly, in the different sections, variations in efficiency did not show the normal tendencies. Even the approach of the pay day was not an incentive to harder work. These findings led to the conclusion that efficiency is influenced by other than material or economic incentives. The fact that workers in two sections in the plant were employed on a piece rate basis, (piece rates being applied above a specified minimum output) and that higher wages could be earned by more work did not seem to encourage the workers to greater effort.

Idle Time in Factories:—The influence of subjective factors in production could be studied by calculating the

extent of unproductive working time. The investigator found that a large part of the time during which the worker was employed was actually unproductive. In the plant where the enquiries were made it amounted to nearly 6 minutes out of every 10 that the worker spent in the factory. Analysing the causes of this huge wastage of time, the investigator found that for 33.97% of the total period of unproductive time the worker was just, "not working." The time was either spent in canteens or in conversation with co-workers or in similar other unproductive ways. For this there could be no explanation except through an interpretation of the psychological causes of the workers' discontent and his indifference to the needs of increased production.

The second biggest cause of unproductive working time was mechanical breakdowns which led to considerable delays. The analysis of the causes of unproductive working time also included the following: waiting for material; shortage of material; arranging material; petty breaks; interference and distractions.

That the largest part of unproductive working time was spent "not working" meant that the worker had deep-seated grievances which acted as a psychological hindrance to this putting forth his best efforts into production. The wastage of time by men on piece-rates, while this time could be utilised to increase earnings, needed an explanation in psychological terms. To ascertain how far subjective considerations influenced the workers' efficiency a questionnaire was issued to them dealing with conditions of work, wages, suggestions for improvement, etc. The replies from workers showed that mechanical breakdowns were the greatest cause of annoyance to the workers. Machinery once it broke down, took considerable time for re-starting. Breakdowns occurred frequently because of defective machinery. Repair mechanics were exceedingly slow in their work and repeated complaints were made about the tardiness

of mechanics. Suggestions were even made by workers that mechanics should be employed on a piece-rate basis, so that they could be made to work quicker. The two causes next in importance, responsible for the wastage of time included in "not working" were dust and bad materials.

Among the suggestions for improvement made, the workers assigned priority to increased wages. The increase was claimed on the ground that while prices of goods the workers produced had risen enormously there had been no proportionate increase in wages. They suggested that it was necessary to introduce a new system of wages, because the piece-rate system was unfavourable to them. Mechanical breaks and delays in repairing interfered with efficiency and prevented them from working as they wished to. The other suggestions for improvement included better treatment from the management, heal their conditions inside the factory and—what seemed to be the least important from the number of suggestions to that effect—shorter hours of work.

From these findings, the investigator was led to believe that the piece-rate system, under the conditions which obtained in the factory, was ineffective. Break-downs hampered the manufacturing process. This interference with production was a cause for which the workers could not be held responsible. In his opinion a revision of the system of payment was clearly necessary. He suggested a flat minimum wage for all workers, and a piece-rate system which would apply to the entirety of the workers' output, instead of over a certain minimum quantity produced. The piece-rate should also be put on an ascending scale, higher rates per unit being paid as the quantity produced increased. An ascending scale of payment could also be expected to serve as an incentive to more effort.

The enquiry into the causes of unproductive working time and their scientific analysis can open up a wide

field of possibilities. The elimination or at least reduction of this wastage of time—if found to be characteristic of all large establishments—can lead to an enormous increase in production. Understanding the workers' psychology need not be the function of the production expert only. It is also clear that economics occupy only a small though important part of that psychology. In the plant where Mr. Adisheshaiah carried out his investigations, the wage rates were among the highest in the Jamshedpur area and the cost of living was comparatively much less than in other industrial centres in India. In spite of the fact that the workers placed first importance on the need for increased wages, it is doubtful whether this alone would supply the necessary incentive to harder work.

CHAPTER 4

LABOUR ABROAD

I. MALAYA

THE treatment meted out to Indian labourers in Malaya by the planters is very bad and as a result, frustration and discontent have spread among the workers. Lack of any organisation in the past collectively to voice their grievances or bargain for better conditions was one of the main reasons for this.

Indian labour migrated to Malaya formerly on three years' contracts through the Immigration Committee of Malaya which was sponsored by the Malayan planters and the Government of India. After the lapse of the contract, the workers were allowed to settle down in the estates where they were working. As the cost of living was considerably cheaper in Malaya than in India in those days, and workers could save a few dollars, although their earning capacity was limited, Indian labourers in large numbers accepted the offer and made the estates their homes.

No labour codes were drawn up to protect the interests of these workers and planters were able to carry on exploitation without any hindrance. No earnest attempt was made to educate the workers or to improve their working conditions. After 1921 each State in Malaya had a Labour Welfare Office with a Controller of Labour appointed by the Government as its head. The Labour Controller or "*Changi Dorai*" as the workers called him, was considered the supreme authority on all matters relating to labour. His decision was final even in social matters. Married couples, for instance, were required to report to the Labour Office when there was any family trouble. The Labour Controller, however made no

attempt to settle such disputes. On the ~~other~~ hand he usually separated wife and husband on payment of marriage expenses. This custom increased the divorce rate among the labourers and consequently the moral standards fell. When the Congress Medical Mission visited Malaya, they found that 80 per cent. of the workers suffered from venereal diseases.

Conditions did not improve during or after the war. Even after the utter humiliation they suffered at the hands of the Japanese, European planters were no less arrogant than they used to be. The Planters' Association of Malaya took up an attitude of indifference to trade unions which were formed in several estates. The Government was openly on the side of the planters and safeguarded the interests of British share-holders.

During the Japanese regime, Indian workers had been subjected to great inconvenience and humiliation. A number of labourers died due to lack of proper nourishment. The Japanese also took away quite a number of labourers to keep roads in repair. It was only when Subhas Chandra Bose arrived in Malaya that some justice was done to the labourers. He formed the Indian National Army and workers joined it in large numbers. The new awakening thus caused stirred the Indian settlers and as a result the workers began to be conscious of their rights and privileges. The series of strikes and lockouts which followed the cessation of hostilities and return of the British Army demonstrated the determination of the workers not to return to pre-war working conditions.

Indian workers in Malaya are usually paid daily. On an average, an Indian tapper earns about 35 dollars per month. The wages were fixed years ago by the Immigration Committee and in spite of the tremendous rise in the cost of living no improvements were made in the scales of wages. The management never paid bonus or any extra money for increased output. But they

demanding explanation whenever the poundage yield of latex fell below the average.

A budget recently prepared by a union of Indian workers in Malaya showed that an average Indian worker needs 3 dollars a day for a minimum standard of living. On the daily rate system an Indian worker does not earn this amount. On contract basis just as in the case of Chinese workers, the Indian labourer can increase his earnings but the planters do not agree to this demand as it would mean increased payment of wages.

Maternity benefits to the women are not adequately provided. Employment of child labour is widely prevalent. This is encouraged to "enable the family to increase its earning capacity." The Japanese occupation caused a large number of children to be separated from their parents and in the absence of institutions to take care of them, these children were forced to take to work.

The conditions of work, for those engaged in P.W.D. and other Government departments are no better. Their basic wages are poor and living as they do in urban areas, they are faced with a higher standard of living.

Trade unions are facing great difficulties in pushing their way up as they cannot function unfettered. Some are patronised by vested interests for their own ends. These unions are a great danger, for even before working class solidarity is established, they have begun the work of disruption.

Indian labour in Malaya should be a prime concern of the Indian Government. Responsible Indians who will as a body assist the present trade unions in organising the workers should be encouraged. Old labour codes of Malaya which protected the interests of the employers should be abolished and new codes formulated. The Indian Government should take the initiative in this matter and prompt the Malayan Administration to enact new legislations. The *kangani* system of payment should be abandoned and the contract system

introduced. The estate should directly deal with workers and eliminate all middlemen. Indian repatriates now returning home are given no facilities on board ships. They should get adequate material aid. The Government of India should extend facilities for these poor workers in the absence of any help from the Malayan administration. Quite a number of Indian labourers are getting ready to return. If this becomes a movement as it is threatening to, there may be serious dislocation both of South Indian economy and Malayan industry. To prevent this we should encourage immigration on an organised basis. Skilled workers should be sent in batches through the Indian Embassy or any other body enjoying the goodwill of the people. The men recruited for immigration should be told about their work and the general situation in Malaya. A committee should be appointed to investigate into the conditions of Indian workers and their families.

II. EAST ASIA

A programme for improvement of Asian labour conditions has to be based on exhaustive statistics covering all aspects of agricultural and industrial labour. Available statistical information on the more easily ascertainable conditions of industrial labour in Asia is inadequate; they are very much so in regard to agricultural labour. The following is a summary of available information on labour conditions* in those Asian countries which will be represented at the New Delhi conference.

The importance of agriculture in the economy of Asian countries is evident from the fact that the ratio of the rural to the total population in most of these countries is invariably more than 80 per cent and above 90 per cent. in Indo-China and Indonesia. The problems of agricultural labour in this region are bound up with the

* Based on Report II, *Labour policy in General including the Enforcement of Labour Measures* (International Labour Office, New Delhi). Japan as an ex-emergency country is not a member of the I.L.O. The report does not contain information about Afghanistan.

systems of land tenure, and the size of holdings. Of the total farm land in China, approximately 93 per cent. is privately owned and farm work is usually shared between the farmer, his dependents and hired labour in the proportion 2|5ths, 2|5ths and 1|5th. The larger number of persons deriving their income from rent on the land, through lease to tenants, is a characteristic of the agricultural frame-work in India. Peasant proprietorship is mostly common in Siam and the proportion of tenants to total farming population varies between 5 and 30 per cent.

In Burma, land is the property of the State, except in certain special cases. Out of the total occupied area of 19.5 million acres in 1939 13 million acres of land were held by agriculturists and 6.5 million acres by non-agriculturists—this area having increased by more than 4 million acres in the course of 30 years; a considerable part of this land in Lower Burma has passed into the hands of *Chettiyars* from S. India.

Absentee landlords own 25 per cent. of the land under rice in Ceylon. The share of tenants range from 5|6 to 1|2 of the yield. Large areas have been alienated to planters at nominal rates.

Two distinct elements make up the agricultural population in Indo-China: One section of large and medium sized landowners who are as a rule Annamite or French, controlling the other group of small holders, tenant and share farmers and wage earners. The right of individual ownership is well established in Indonesia, but before protective measures were brought into operation recently, Europeans held more than 2 million hectares of land in Java and Madura and the Outer Provinces. About 80.2 per cent. of the total farming population in Korea in 1932 was made up of tenants. In Malaya 18.4 per cent of the land is alienated to non-Malays but further alienation has been stopped. 75 per cent. of the holdings above 100 acres and 75.3 per cent. of rubber

estates over 100 acres in extent are still controlled by Europeans.

Under the existing system of land tenure in the Philippines, the landlord and the tenants share the cost of production and the produce equally; the tenants are mostly share croppers.

The average size of holdings of peasant families are 3.04 acres in China, 5 acres in India and varies between 1|10 to 80 acres in Siam, between 5 and 30 acres in Burma and 1|8 to 10 acres in Ceylon. In Indo-China the holding varies between 1|2 to 5 hectares. Averages in these cases do not provide a reliable estimate of the size of holdings because of the variations and uneven distribution of land in different parts of each country.

Handicrafts and cottage industries claim an important place in the rural economy in Asian countries; the bulk of the population not employed in cultivation being engaged in it. Approximately 2.4 million whole time and part time weavers and 3.6 million ancillary workers are employed in the handloom industry in India. About 10,000 persons are employed in the private textile industry and 50,000 in the coir industry in Ceylon. Five million agriculturists in Central Java derived 17 per cent. of their income in 1930 from cottage industries.

Forced Labour associated with agricultural indebtedness is prevalent in certain parts of India, in Ceylon and to a lesser degree in Indo-China and Indonesia.

Rural indebtedness in the Asian countries is extensive. In China, it is "a world in itself," interest charged varying between 40-80 per cent. and some times even 150 to 200 per cent.

In India total indebtedness exceed Rs. 8,000 million before the depression of the '30s set in and nearly doubled after it. In spite of war prosperity and various relief measures the total debt is estimated to be still equal to that formidable figure.

In Burma a substantial portion of land has come into the hands of money-lenders. Conditions in Ceylon and Indo-China are as bad as in these countries. Siam and Indo-China are better off in this respect. In the Philippines the Government established an Agricultural and Industrial Bank in 1938.

The war created a short spell of prosperity for the agricultural population in India and China but the increase in monetary incomes was not accompanied by a corresponding increase in goods and services with the result that prices rose steeply.

The low productivity of labour and the small income of the agricultural population of most Asian countries are the causes of the poor living conditions in most parts of Asia. An estimate of comparative *per capita* incomes of agricultural labour made by Colin Clark showed that while the figures in international units (one I.U. equal to the amount of goods and services purchased for 1 dollar in the U.S. in 1925-34) were 1381, 1061, 980 and 680 in U.S.A., Britain, Australia and Denmark respectively, in India and China they were 200 and 100—120.

Landless agricultural labourers are comparatively few in numbers in China but in India in 1944 they were estimated to number 68 million, or 17 per cent. of the total population. They constitute the main source of supply to the plantations, for harvesting crops and for seasonal employment in large estates. Women form a high proportion of the landless labourers in Burma. In Ceylon 44 per cent. of the total number of agricultural families are landless. In Java and Tonkin (Indo-China) they form the main source of supply for mines and plantations.

Pressure of population on land and the decline of rural industries are the causes of emigration of labour in East Asia. The total number of immigrants in different parts of the world from China, Japan and India are estimated at 10, 4.1 and 1.9 million respectively.

ILO conventions adopted for the organization of labour in agriculture are few compared to those set for industrial labour. Conventions relating to age, hours of work and employment of women in industry have been made applicable to labour in agriculture, ILO Convention No. II confers the same rights of association for agricultural workers as are guaranteed to industrial workers. In China agricultural workers' unions formed under the Labour Unions Act numbered 12,889 with 5,567, 810 members. An ILO recommendation concerns the prevention of unemployment in agricultural labour through more intensive cultivation, progressive settlement policies and integration of industrial and agricultural employment and encouragement of workers' co-operatives. Another recommendation provides for statutory measures to regulate housing during the war and factories worked in 12 hour shifts with breaks of 30 minutes. The length of the average working days in Shanghai was 9.94 hours in 1946, in India the amended Factories Act lays down a 9 hour day and 48 hour-week in perennial and a 10 hour day and 50 hour-week since 1946, in seasonal factories. A weekly day of rest is provided and continuous work for more than 5 hours is prohibited. Working hours are determined by Wage Boards consisting of the Labour Commissioner and representatives of employers and workers in Ceylon. The working hours per day cannot however be fixed at more than 9 a day or 48 in a week. Contract labour in Indo-China works 10 hours a day and non-contract labour in mining and industrial establishments 8 hours a day. Daily hours of work in Indonesia is limited to 9 in Industry and plantations and $8\frac{1}{2}$ in mines. An 8 hour day is prescribed for all workers excluding agricultural and domestic workers in the Philippines.

Collective bargaining has not become an accepted form of a well developed trade union movement. A Minimum Wage Act passed in China in 1936 provides

for the establishment of Wage Boards composed of representatives of public authorities, employers and workers as well as two referees. There was a steady rise in wages during the war in China particularly after 1940. Price control measures were reinforced in 1942 and regulations framed for establishing local committees for determining wage rates. In certain cities wages fixed with reference to the cost of living index were "frozen" at the January 1947 level. In India until quite recently there was no attempt to evolve a uniform system of wages. Though there was a nominal increase in wages during the war years, real earnings declined. The cost of living has risen steeply. In the Jharia coal field it rose by 500% per cent. between 1939 and 1943 and a Board of Conciliation set by the Government in 1947 recommended substantial increases in miners' wages and payment of a four-month bonus. In the north-west plantation areas the cost of living has risen by 200 per cent. An attempt to standardise wages is being made in India. Wage boards set up in Ceylon have fixed minimum wages for time and piece work and special allowances to cover the rise in the cost of living. In Indo-China since 1943 a decree provided for the determination of minimum wages by district committees. Wage regulations in the other countries in S.E. Asia are not comprehensive or adequate enough to assure the worker a living wage.

Social services in industry in Asian countries are far too inadequate by Western standards. There is an urgent need for improvement in housing for workers especially in China and in the larger industrial centres in India. The standard of workers housing in Ceylon is reported to be much higher than in most tropical countries. Free accommodation is provided to contract labour in Indo-China. Only a limited number of workers are provided adequate housing in Indonesia. Housing conditions in the Philippines are considered unsatisfactory.

A high proportion of the workers' income in India and China are spent on the bare necessities of life. The

Indian or Chinese workers spend between 60-70 per cent. of his income on food alone. The quality of food consumed does not satisfy the minimum calorific needs. The extent of indebtedness among workers also shows the inadequacy of workers' income.

The Chinese Trade Union Act amended in 1943 makes the organization of a trade union compulsory in any area where there are at least 50 workers belonging to the same branch of industry or workers belonging to the same craft. Membership of the union is compulsory for all workers in the area and not more than one union may be established for each industry in each area. Three types of federations may be established: Municipal or general unions, provincial federations and a national congress of trade union federation. The Agricultural Trade Union Act passed in 1943 authorises the organization of agricultural workers' unions. The Chinese Association of Labour set up in 1935 though not legally a trade union has become the representative organization of the trade union movement in the country. In July 1946 it had a membership of over 20,00,000. At the end of May 1946, there were 4,919 trade unions—which included 5 federations for industries, 4,377 industrial unions, 323 municipal (hsien) general unions and 214 special unions of workers in the mining, transport and communication industries in the areas under Government control.

There were 865 registered unions with a membership of 889,388 in 1944-45 in India. The membership figures do not present a complete picture as several registered unions failed to submit proper returns. Besides there are a large number of unregistered unions. In Bombay alone there were 100 such unregistered unions with a membership of 155,872 in 1942. The All-India Trade Unions Congress, the Indian Federation of Labour and the recently formed Indian National Trade Union Congress are the national federations of labour, in addition to

provincial and local federations of which the most outstanding is the Textile Labour Association in Ahmedabad. Among federations in industries, the Railwaymen's Federation and Postal Workers' Union are the most important. The slow progress of the trade union movement in India is ascribed to the abundant labour supply in industry, the lack of homogeneity and an industrial tradition, the widespread prevalence of illiteracy and the insufficiency of efficient leadership from the ranks of the workers themselves.*

The trade union movement in Burma made rapid progress after the end of the war. There were 34 registered unions with a membership of about 16,200 by March 1947. Registration of trade union is compulsory in Ceylon. There are now 105 unions with a total membership of 189,309—the largest with 107,995 members composed mainly of plantation workers. The organizations of trade unions is prohibited in Indo-China. In the French establishments in India, there is a general federation of trade unions with 48 affiliated unions with 30,000 members (10 per cent. of total population). The total trade union membership in Indonesia was reported to be 123,500 in 1941. The number has considerably increased in the intervening period. Organized labour in Indonesia has taken a prominent share in the country's liberation fight. By December 1945 there were 19 registered unions with a membership of 3,922 in Philippines.

Provision for constitution of machinery for arbitration industrial disputes has been made in China, India, Burma and Ceylon. Regulations promulgated in China after the outbreak of the war provide for the establishment of arbitration boards whose functions also include the periodical adjustments of wages. The Industrial Disputes Act of 1947 in India provides for the prevention of strikes lock outs in public utility services and machinery

* *Labour Policy in: General: (International Labour Office, New Delhi)*

for conciliation, investigation by Courts of Inquiry and compulsory adjudication of disputes when necessary. In addition provincial Governments have their own laws to govern arbitration of industrial disputes. The Labour Directorate of the Government of Burma since the end of the war has encouraged the establishment of Works Committees in principal Government and industrial establishments. A Ceylon agreement for investigation and settlement of disputes in plantation industries adopted during the war has now lost force because of the employers' withdrawal from it.

The administration of labour laws is the responsibility of the Executive Yuan in China. In India labour legislation is a "concurrent" subject, but the administration of laws is virtually a responsibility of provincial Governments. Burma, Malaya and Ceylon have special authorities to administer labour laws. A Department of Labour and an effective Labour Directorate looked after the enforcement of laws in the Philippines and Indonesia (before the war). In spite of the existence of specially appointed staff labour inspection services maintained in the S.E. Asia countries are not a scale enough to ensure that whatever legislation enacted is strictly enforced.

III. BRITAIN

British Trade Unions are a very diverse creation. Not only do some of them defy description as either industrial or craft unions, but are a mixture of both—such as the Amalgamated Engineering Union—but in size they are as different as they could be. There are mammoth Unions at the top—the Big Six—headed by the Transport and General Workers' Union which has 1,230,000 members. The other five are: The General and Municipal Workers' Union (795,000), the Amalgamated Engineering Union (723,000), the National Union of Mine-workers (538,000), the National Union of Railwaymen (453,000) and the Union of Shop, Distributive and Allied Workers (374,000). But there are many midget

Unions as well; the smallest affiliated to the TUC being the Amalgamated Anvil and Vice Trade Association which has 30 members. The overall picture in this respect is that of the 750 Unions of which the Ministry of Labour has records, 372 have a membership of less than 500. Thus almost half of the Unions in existence at the end of 1946 catered for only 0.7 per cent. of the total number of trade unionists, whilst the Big Six organised almost 50 per cent. Most of the small Unions are, however, outside the TUC: the most recent *TUC Report* mentions only 22 with a membership of under 500 as belonging to the TUC.

A big difference was made by the admission of Civil Service Unions after the Government had repealed the 1927 Act which had prevented their admission. This meant at one stroke a net gain of 415,547 members. The number of trade unionists who affiliate to the Labour Party by paying the political levy through their Unions in 1946, was 2,635,000 compared with 2,510,000 in the previous year.

Trade Unionism first appeared upon the British scene in the early years of the 18th century. This was the pre-factory period, and local Trade Clubs were formed by the more skilled workers in the interests of mutual protection of their standards. Their activities were virtually illegal, for the ideology of the Middle Ages still prevailed that it was the responsibility of the state to regulate wages and working conditions. No organisations were countenanced that sought to usurp this function, though to a certain degree the organised expression of grievances was tolerated.

With the advent of power production and the factory system, the doctrine of the state regulation of wages was driven out by that of *laissez faire* capitalism. Land Enclosure Acts had been passed which drove the people from the countryside into the towns where they provided a reservoir of cheap labour for the new industrial system. The mass of the people, thus divorced from means of pro-

duction, had nothing but their labour to offer for sale, which was brought and sold in the open market. With the aid of machine production vast fortunes were made by a new class of rich employers, but they shared none of their wealth, and the conditions of the workers were appealing. Hours of work were 12, 14, 17, but still men could not earn enough to keep their families alive, so that children of all ages were employed in the factories where they were chained to their place of work. Near my home in Yorkshire a stone is to be found today on which is inscribed the names and ages of a group of children who perished in a factory fire due to the fact that they were chained to the spot and could not escape. The age of the youngest was six. Towns sprang up, filthy and deplorable assemblages of mills and hovels. Families were crowded into one room. They had endured miseries enough under the domestic system of labour (when merchants supplied the raw materials and took away the finished products from the homes), but now they were subject to the discipline of factory life.

Yet, to organise in trade unions was to commit a crime. There were Acts enough at the disposal of the Government to deter combination, but between 1,721 and 1,800 a series of vicious Acts known as the Combination Acts were added to the others as an attempt to curb trade union activity which the inhuman conditions evoked.

The 1799 Act in particular expressly penalised all combinations whatsoever and applied to the whole of industry. The combining of operatives was regarded as mutiny against the master, a violation of the right of the employer to "do what he liked with his own." In this period the Luddite Movement developed which started in the hosiery factories in the Midlands and spread to other parts, and in which the workers smashed the machines and sometimes destroyed the factories in a desperate attempt to draw attention to their cruel lot.

But there were other influences at work besides the spirit of revolt, most important being the reaction upon British feelings and thought of the French Revolution. A number of societies were formed which were not only concerned with wage questions but with demands for political reform and the complete transformation of society. There was a spirit of general terror abroad among the ruling classes in which was merged the capitalist dislike of higher wages and the dislike of the political reactionary for democratic institutions. Fear drove the Government of the day to still greater repression. In 1819 the notorious "Six Acts" were passed which made it possible to suppress all public meetings, enabled the magistrates to search for arms, subjected all working class publications to a heavy stamp duty and tightened up the law regarding seditious libel. Spies and informers flooded the country; there were mutinies in the fleet; and in this period was the Peterloo Massacre in which a peaceful political demonstration of workers was attacked by mounted soldiery, eleven people being killed and hundreds injured.

Trade Union development could be driven underground, but repression was incapable of stopping it. The year 1824 has become famous as a turning point. For in this year the anti-labour legislation that made collective bargaining illegal was revoked. The campaign that led to this splendid result was initiated and led by two men. Francis Place (a master tailor who had risen from the ranks of the workers and who was a pupil of Bentham and James Mill in social theory) and Joseph Hume, one of the leaders of the growing party of Philosophic Radicalism. Democratic in their outlook, their sense of justice revolted at the idea that the employers were allowed to combine whilst this was forbidden to the workers. Place was Chairman of a Select Committee which amongst other things went into the problem of combination, and so skillful was the campaign of these two men that in 1824 a Bill to repeal the Combination Laws was passed through

both Houses within less than a week without either debate or division.

Both men were convinced that victimisation and repression were the source of militant trade unionism, and both preached the virtues of moderation. But the workers seized their chance, and used their newly-won freedom to the full, strengthened both legally and morally by this victory which in the main Place and Hume had won for them. There were numerous strikes and serious disturbances. Parliament realised too late what had been done, and a year later another special commission was sitting of very different complexion to the one which Francis Place had managed to initiate and influence. But by this time not only the employers but the workers were thoroughly aroused, and although Hume alone represented the workmen on the Committee he managed to prevent the worst from happening, and in the end a compromise Bill passed through Parliament, which though anti-combination in nature specifically exempted from prosecution associations whose purpose was the regulation of wages and hours. The right to collective bargaining and collective action in the interests of such bargaining had been won, once and for all times. Although the Government of the day had numerous powers at its disposal to harass trade unionists and though in practice the line was not clearly drawn between the kind of activities that were allowed or banned, a great victory with far-reaching consequences had been won.

Yet the spirit of high optimism that prevailed was quickly assailed by subsequent events. For during the next five years there was widespread commercial disaster, unemployment, lower wages and distress. Strikes often ended in defeat. There were new bouts of violence and machine breaking. The case of the Tolpuddle Martyrs in 1834, when six Dorchester labours were transported to Botany Bay for seven years, their only offence being that they tried to build up openly and peacefully an agricul-

tural workers' union, raised a storm throughout the land, so much so that in 1839 five of the six had been returned. In the same year the biggest attempt so far to build up one union was made under Robert Owen when the Grand National Consolidated Trade Union was founded. Within a few weeks it recruited over half a million workers, and for some time struck terror into the hearts of the employing classes (many of whom forced their workers to sign "the document" stating that they would have nothing to do with any trade union). But in the end this organisation collapsed as rapidly as it had grown.

From about 1850 onwards the background of economic depression changed into one of greater prosperity. The opportunity was used to create the basis for a stabler and more consolidated form of trade unionism, although by and large only craftsmen benefitted from this phase of development. There were two main purposes being followed. The one was the amassing of power to enforce better conditions and higher wages. But secondly, an attempt was made to develop the protective function by providing security against the hazards of life, particularly with regard to ill health and unemployment. There were no state services for this purpose, and gradually higher dues and higher benefits were introduced covering all manner of services—sickness, superannuation, accident, funeral costs, unemployment and strike pay. It was in the interests of both trade union purposes that local unions should unite to form national unions, which could provide more efficient administration of funds and a more centralised control of activities. In 1851 the Amalgamated Society of Engineers came into being, formed out of a number of unions catering for skilled metal workers. Similar development took place with regard to the printers and the building trade. Not only was unification taking place between the members of a given trade, but local or national councils representing workers of different trades began to combine their activities or organise in

common. The London builders' strike of 1859-60—was supported by other unions in London and led to the formation of the London Trades Council. Other areas witnessed similar developments. In 1868 the first Trades Union Congress was held representing some 120,000 workers; six years later over a million workers were affiliated. This Congress has met annually since its formation up to the present day except for the two years 1870 and 1914.

All this consolidation belonged to the second stage of trade unionism. By and large this was the heyday of craft unionism, creating an "aristocracy of labour" which was favourably placed by all manner of practices to pursue collective bargaining and use the results to create a relative degree of security such as had not been known on any wide scale before. In one sense the existing unions had become more conservative and respectable with this development, although the strike weapon still figured substantially. Nevertheless, some of the old, militant spirit had gone, and with a new spell of economic depression robbing the workers of much of the financial gains that had been previously won, it was felt that a more vigorous and militant trade unionism was required.

The other influence at work which quickened this process of change was the advent of organised socialists propaganda and agitation about 1880. Men known to this generation were at work, men of the type of Keir Hardie, Tom Mann, Will Thorne, Ben Tillett, John Burns, who proclaimed the need for a separate and independent workers' party based on the trade unions and imbued with a socialist outlook. The spread of egalitarian ideas strengthened developments towards a new unionism from which all should benefit, including the masses of unskilled labourers. Men who could not afford the crushing dues which trade unionists were asked to pay were easily convinced that it was the duty of the state to provide the services which trade unionists were having to provide out

of their own pockets, and that trade union representation in Parliament was indispensable, to wage the fight for such legislation. In 1881 the Marxist Social Democratic Federation (SDF) was founded; in 1883 the Fabian Society; ten years later the Independent Labour Party (ILP) was born. In 1900 a combination of these Socialist Societies and several powerful trade unions led to the launching of the Labour Representation Committee with the purpose of getting their own candidates into Parliament in order to urge the claims of Socialism and Trade Unionism. Six years later this Committee became known as the British Labour Party.

Thus at the turn of the century two new trends had begun to assert themselves. Industrial unionism had become a reality and an independent workers' party had been born.

In a previous article I traced the development of events during the first two phases of British trade unionism. First the battle had to be fought and now for the right to organise for the purposes of collective bargaining and collective pressure upon employers. The legal battle won, came the process of building up national unions and federations on a more efficient administrative basis and with greater financial stability with the two-fold purpose of carrying on the struggle for better conditions and protecting the workers from the hazards of *laissez faire* capitalism. Although clearly there was no common pattern of trade unionism, this was the era of organization for the skilled craftsman, the "aristocracy of labour." The third period of trade unionism set in towards the end of the nineteenth century. In this connection an event of tremendous import was the highly successful Dockers' Strike in 1889.

From 1875 onwards (and particularly during the years 1879-80) a deep economic crisis engulfed Great Britain. Because of the economic difficulties and the sudden migration of agricultural labourers to the towns

(except those that went to the Colonies), a period of serious all-round attacks on wages and working conditions was initiated. In some unions as many as 25 per cent. of the membership became unemployed, and many unions were swept away by this new tide of adversity. Many national societies disintegrated into units which had merely local significance. Nevertheless trade unionism did not collapse; a substantial portion weathered the storm.

This was a time of great hardship and unrest. It was a time of criticism of the "Old Trade Unionism" which relied on collective bargaining and a reserve fund for the protection of members and had no real answer to the problem created by widespread unemployment. Not only were old methods challenged on the grounds that they did not go far enough, but the very policy of seeking to protect trade unionists by a benefits' scheme was itself increasingly condemned as a source of weakness and disunity. Experience had pointed to the need for more radical action. The political trend was one of fusion of the Socialist and Radical-humanitarian elements who preached in Parliament and at every street corner the right of the workers to be protected against the hazards of capitalism. Masses of unskilled labourers existing on the poverty line lent a ready ear to this call. Thus the ground was prepared for a new kind of unionism, organizing the unskilled on a basis of small dues and no benefits (apart from strike pay) and relying on militant struggle. Many wanted this new unionism to throw its whole weight behind an independent workers' *Parliamentary* struggle to provide legislation for trade union purposes. Others were influenced by the maxims of Georges Sorel, the French syndicalist, who appealed to the workers to "Strike, strike, and go on striking until the last final strike will put the power of the state into your hands." Similar propaganda from Daniel De Leon and Eugene Debs in America made a stirring appeal to the British workers. On the Clyde, James Connolly

started a similar agitation when he declared in his *Socialism Made Easy*: "Let us be clear as to the function of Industrial Unionism. The function is to build up an independent republic inside the shell of the political state, in order that when this independent republic is fully organized it may crack the shell of the political state and step into its place in the scheme of the universe." This was a period of intellectual ferment—the influence emanating from Marxism was also felt—but underneath all ideological battles was to be found a firm conviction that through militant trade unionism the whole system of society could be changed.

In the direct trade union field the Dockers' Strike of 1889 seemed to confirm all hopes in a new trade unionism, and revolutionised the tempo of change. The strike itself was the culmination of an attempt over a period of some years to organize the unskilled workers. Developments were influenced by a strike of 673 match girls in 1888 which was backed by Mrs. Besant among others who so stirred the public conscience that £400 was subscribed by sympathisers of all classes within a very short time, and after a fortnight's obstinate stand the employer in question had to make concessions. The lesson was quickly drawn that not only a union's strength but its weakness could be put to good purpose if the public conscience could be made to prevail. The Gas-workers and General Labourers' Union was established in May 1889, enrolled thousands of members at great speed and organized a campaign for the reduction of working hours from twelve to eight. After a tense measuring up of the situation this demand was conceded without a struggle, to the great astonishment of everyone.

These events gave a new impulse to the dockers to organise. A relatively minor dispute on the 12th August 1889 connected with the labourers on the South West India Dock developed into a strike which entirely paralysed the traffic of the world's largest port. A public

subscription of £48,736 made possible an elaborate system of strike pay, and under the pressure of this almost universal sympathy with the workers' demands, the Dock Directors were compelled to concede practically the whole of them.

Through these successes the basis was created for the modern General Workers' Unionism. A large number of trade unions grew up among the unskilled workers, whilst many of the craft unions opened their doors to the unskilled. The Webbs estimate that within a year of the Dockers' Strike probably more than 200,000 workers had swelled trade union ranks recruited from circles that had been considered incapable of organization, and imbued with a fighting spirit which can best be expressed, perhaps, by quoting a resolution that was passed by the Congress of General Railway Workers' Union in November 1890: "That the Union shall remain a fighting one, and shall not be encumbered by any sick or accident fund." This "new unionism" was not new in the sense that it was a complete departure from the past—Robert Owen's attempts to form one big union more than half a century before had been in the same direction, and unions with low dues and benefits had always existed—but the whole conditions of the time favoured its rapid spread into a vital feature of British trade unionism, possessed of a militant spirit, a keener sense of solidarity, and a powerful belief that it was possible for the workers to control the machinery of local and national government, or to smash and replace it by something totally new.

The next two major attacks upon trade unionism came from the Law Courts. They have come to be known as the Taff Vale Case and the Osborne Judgment. In the first case (in 1901) the judges upheld the claim of a general manager of the Taff Vale Railway Company in South Wales who was suing for damages the Amalgamated Society of Railway Servants in connection with some rather violent picketing that had occurred

during a strike in the previous year. The case had been fought through to the highest tribunal, the House of Lords. The Law Lords in arguing in their case had laid down that trade unions, whether registered, could be made collectively liable for damages and sued in the names of their officers, executive members and trustees, whilst the damages and costs could be recoverable from the property of the unions. The immediate result of this judgment was that the Amalgamated Society of Railway Servants, which had not even authorised the said strike, had to pay in all £42,000 to cover the costs of damages and of fighting the case. The danger to trade unionism was clear. The Webbs declare that this judgment doubled in 1902-3 and by 1905-7 trebled the number of trade unions affiliated to the Labour Representation Committee (which became the Labour Party) and raised the affiliated membership of the Party by nearly one million. When Parliament was dissolved and new elections took place in January 1906, all candidates were effectively canvassed by trade unionists, and it was made quite plain that no man need expect working class support unless he promised to work in Parliament to undo the harm done by the Taff Vale Judgment. The Labour Representation Committee put 50 candidates in the field, and 29 of them headed the poll. Twelve workers got into Parliament on the Liberal ticket but most of them joined Labour in 1910. The Taff Vale decision was reversed by the Trade Disputes Act of 1906.

The legal assault upon trade unionism took a new form in 1909 when the House of Lords, acting in its judicial capacity as the highest court of appeal, declared it to be illegal for a trade union to use its funds for any purpose outside the industrial objects specified in previous Acts. This judgment meant a prohibition upon all educational work, participation in municipal administration, association for common purposes in trades councils and the Trade Union Congress, the financing of Parliamentary

candidates and M.P.s and other contributions to the Labour Party. It took four years to reverse this particular decision, but vigorous agitation brought about the 1913 Trade Union Act. This Act laid down that political objects could be included in the rules of any trade union if the procedure was approved by a ballot vote of the members. It also stipulated that the political funds of the unions were to be accounted for separately, and that every trade unionist must be free to "contract out" of any political contribution made by his union.

The years from the Dockers' Strike to 1920 were years of phenomenal trade union expansion in terms of membership, and of closer integration. Total trade union membership rose from 1,911,000 in 1889 to 8,334,000 in 1920; the number of unions only increased from 1,325 to 1,364. After 1920 came the acute economic depression during which almost three million workers left the trade unions, bringing trade unionists membership down to 5,410,000 in 1923. There were two major and spectacular disputes which ended in victory for the unions: in 1919 there was a Railway Strike on a national scale which stopped the whole railway system from functioning for nine days; in 1922 there was the Engineering Lock-out. But the immediate post-war world saw trade unionism subjected to one crashing blow after another. The Triple Alliance (a forceful combination of railwaymen, transport workers and miners for the purpose of mutual aid in industrial crises which had been formed in 1914) collapsed on "Black Friday," 14th April, 1921. The miners went on strike against wage reductions and the Triple Alliance issued strike notices to all their members, but these were delayed and in the end withdrawn, leaving the miners to fight their own battle alone. Five years later came the nine days' General Strike in support of the miners which again ended in failure. In this period the phenomenal expansion union membership was checked and reversed, whilst those who believed that the

trade unions were invincible and could provide the answer to all social ills received a rude awakening. Out of this soil sprang the conception of "peace in industry" which provided the guiding line for British trade unionism in the subsequent years.

Throughout its history, the British Labour Movement has swung to and fro between reliance upon political and industrial action. The period between the end of the first world war and the collapse of the General Strike in 1926 can be regarded in retrospect as the great testing time for the belief in the efficacy of industrial action as the main weapon of struggle. A general strike had never been organized before in this country. The minority Labour Government of 1924 had suffered defeat under circumstances which cast much discredit on the Party's leadership. As the country plunged into industrial depression following upon the wartime boom, the incentive for severe class conflict was created. The Trades Union Congress had in 1921 set up a General Council for the first time (to replace the old Parliamentary Committee) and in 1924 the powers of this body were considerably extended enabling it to intervene in disputes and to muster moral and material support within the whole trade union movement, should strike action in any given industry or industries call for such support.

In 1925 all these factors converged to produce a crisis and the occasion for a most resolute attempt to check economic reaction by industrial action—indeed, the most resolute and widespread struggle this country has witnessed. The starting point of the whole conflict was the situation and attitude of the miners who were faced with a new attempt to increase the number of working hours and to force down their wages. In 1921 the miners had already gone through a three months stoppage; it had been unsuccessful and at the end wages fell to less than half what they had been. In 1923-24 the industry had a short but extremely shallow-rooted period of "pros-

perity" due to external factors (for instance, the French occupation of the Ruhr mines and a strike in U.S.A. in 1924 involving the coal miners, which allowed the British coal owners to grab new markets). In this period profits per ton increased from 11-3|4d. to 2s. 2d. and total profits from £10.4 millions to £26.1 millions. But wages per shift worker scarcely increased. When this artificial prosperity suddenly collapsed and the full blast of foreign competition made itself felt, the owners were willing to see only two things: that costs were too high in relation to foreign prices and that wages represented 70 per cent. of the pithead price. Wages must come down—that was their conclusion; whereas the real cause of the inability of the industry to compete with production abroad was the inefficient state it had gone into under the control of owners whose concern for immediate profits had led them to play fast and loose with an industry which was basic to the whole of the British economy. When a pool of between 150,000 and 200,000 unemployed miners had been created, due to the falling off of exports, this was the opportune moment for the owners to launch their attack on wages and working standards. But the miners decided to make a stand. They were in a bitter mood; they had right on their side; they were fortified by the findings of the Sankey Commission which had sat in 1919 and produced a majority report favouring nationalisation—though all the owners on this Committee opposed it—and which revealed the calamitous state of the coal mining industry. The Miners' Federation asked the Trades Union Congress for support. They asked this on grounds of solidarity, and they insisted that the attack upon the miners was but the preliminary to an all-round attack upon wages and working conditions. Prime Minister Baldwin confirmed this when he spoke of a return to the gold standard being necessary though it would mean that "all workers in the country have got to take reductions in wages."

The General Council of the T.U.C. decided to take over the case. It appointed a special committee which took up negotiations with the Government and worked out plans for stopping the production and transportation of coal should strike action become necessary. The Railway and other Transport Unions pledged themselves to full support for the miners. Finally the orders were given for action, since negotiations had led nowhere. On "Red Friday," the crucial day when the strike was to operate, the Government suddenly announced that it had decided to give a nine months' subsidy to the industry totalling £23 millions or a 2s. 6d. grant for every ton of coal produced during the period, the main purpose of which was to support wages. It stated simultaneously that a Royal Commission was to be appointed (under Sir Herbert Samuel) to make recommendations with regard to the reorganisation of the mining industry. (The main findings of the Sankey Commission were ignored by the Government.)

The act of Government support to sustain wages was considered by many in the movement at the time as a victory for the workers. In fact, however, the problems at stake were in no way settled, but were merely shelved. The struggle had to come, and it came at a time when the workers had to fight it out under circumstances that were decidedly more adverse for them than before. The Samuel Commission came out against nationalisation of the mines, though it favoured nationalisation of the coal deposits, against the policy of Government subsidies. It favoured a policy of amalgamation and declared that immediate wage reductions for certain classes of workers were unavoidable. So when the nine months' subsidies came to an end there was no solution but a trial of strength—unless the miners were prepared to capitulate without a struggle, which was not the case.

The nine-month interval was for the Government extremely profitable. It had been used to prepare for

the dispute that had become inevitable. Large reserves of coal were created and distributed. Plans were prepared to divide up the country into ten areas to be run on behalf of the Government by Civil Commissioners. Organisations had been similarly prepared to maintain essential supplies; and to break strike action naval and military personnel were used. By April, 1926 all plans were complete. There was no comparable preparation on the workers' side, due to a spirit of over-optimism, and also a sense of caution, a desire not to enter into an all-out struggle with the state. There was much militancy, but no organised preparedness for a revolutionary struggle.

The miners entered the struggle under the militant slogan: Not a penny off the pay, not a minute on the day. As a matter of fact they did not go on strike but the owners locked them out. On the last day of April, 1926 the lock-out notices against the miners went into effect. May Day 1926 was the day of a specially summoned conference of trade union executives to decide whether a mandate for a general strike should be given or not. The subsequent roll-call of all trade unions showed an overwhelming response to the miners' request for aid, 3,653,529 trade unionists voting in favour, 49,911 against and 319,000 not yet decided.

On Monday the 3rd transport workers belonging to land, sea and air services were called out, as well as printing trades, iron and steel workers, metal and chemical workers, building workers (with certain limited exceptions) as well as gas and electricity workers connected with the supplies of power to industry. Arrangements were made to empower food, health and sanitary services to continue to function. This was the first line of attack, the commencement of a nine days' general strike which collapsed on the 12th May when the General Council called it off, after having called out on the 11th the shipyard workers and engineers. Some unions continued to strike because their own workers were subject to wage attacks, and the

miners fought on, most of them until November, when they were starved into submission. They had asked for new negotiations in September, and though these were offered by the miners and the Government, the owners arrogantly and vindictively refused to accede. They were determined to have unconditional surrender, and nothing less.

Why did the General Strike fail? It was called off by the General Council without their obtaining any guaranteed terms on which they could rely. Many histories of the General Strike have been written, and it is obviously a subject that cannot be treated exhaustively here. Comment must be concentrated on the following points. As far as the Government was concerned, it had prepared to break the strike and it was prepared to use every means to do so. It treated the whole struggle from first to last as a revolutionary one, an attack on the constitution and Parliament. The Government ran its own strike paper (*British Gazette*) and through this and the wireless the Prime Minister made this proclamation to the nation: "Constitutional Government is being attacked. Stand behind the Government, who are doing their part confident that you will co-operate in the measures they have undertaken to preserve the liberties and privileges of the people of these islands. The laws of England are the people's birthright. The laws are in your keeping. You have made Parliament their guardian. The General Strike is a challenge to Parliament and is the road to anarchy and ruin." (Stanley Baldwin.) The Government applied Emergency Powers Acts. On the 9th it started the Civil Constabulary Reserve, a paid force which was equipped with batons and helmets and whose job it was to assist the police in quelling any disorder. At the end of the strike there were 226,000 special constables compared with 98,000 before, plus an additional 18,000 members of the Civil Constabulary Reserves. Military forces were informed that "All ranks of the Crown

are hereby notified that any action which they may find necessary to take in an honest endeavour to aid the Civil Power will receive, both now and afterwards, the full support of His Majesty's Government." A *carte blanche* if ever there was one. Troops were moved about; battle-ships steamed into various ports.

This display of might was provocative—but in no way necessary. The General Council did not intend to challenge the constitution; they were fighting and repeatedly insisted they were fighting a purely industrial struggle to secure for the miners a decent standard of life. The difficulties were immense. The T.U.C. had no funds at its disposal. The powers of the General Council were vaguely defined; there had been differences between the Miners' Union and the General Council already, so that the Miners' Federation had not placed the conducting of their struggle unreservedly in the hands of the T.U.C.; yet the terms of alliance had never clearly been worked out. There was no efficient central organisation of the strike, so that much was left to local initiative, and whereas in some areas strike committees were established which sought to take over the functions of government, in other areas this was precisely what the workers were announcing they did not intend to do. The drain upon the Unions due to payment of strike pay was enormous the strike cost the National Union of Railwaymen alone 1 million pounds. Apart from the problem of a continuing drain, on May 6th Sir John Simon (speaking with authority as a former Attorney-General) stated in the House of Commons that the whole strike proceedings were against the law; that those who were engaged in them were open to be sued for breach of contracts; and that "every trade union leader who had advised and promoted that course of action is liable in damages to the uttermost farthing of his personal possessions." On 11th May, Mr. Justice Ashbury, trying a case arising out of the General Strike, declared that this was not a "trade dis-

pute" within the meaning of the law, and that the leaders could not claim immunity under the Trade Disputes Act of 1906. Many trade union leaders were patently unwilling to place in jeopardy their own personal possessions and those of their unions; still less were they inclined to go to the length of risking imprisonment on a charge of sedition. The charge of "betrayal" is in some respects legitimate. On the other hand, this was not the only nor indeed the principal factor which led to defeat. The movement had got itself into a difficult situation, when to go forward involved more than it had prepared for, and to turn back meant defeat.

The weapon of the general strike cannot be regarded purely as an industrial one. Its impact upon society is in fact or potentially so severe, and it has such far-reaching implications, economically and socially, that it will inevitably call forth the full use of the state in opposition, if the Government is hostile to the workers' claims—and if the opposite is the case, the need for the general strike weapon will hardly arise. The General strike of 1926 was entered into without this problem being resolved. The logic of events placed the Movement in the position of choosing between surrender on the one hand, and otherwise entering into revolutionary struggle against the state machine. Not only was it impossible to solve this problem in the midst of conflict, for there was no clear and united policy on the part of the Trade Union Movement—but a revolutionary struggle needs preparation and the leadership of a revolutionary party to succeed—and these conditions were not fulfilled in 1926 England. In that sense the strike could not have succeeded, and the charge of personal betrayal is reduced to its proper proportions.

Nevertheless the miners would not give in. Their staunchness, their amazing loyalty to their leaders and to each other, their endurance whilst union funds were drained dry and debt piled upon debt, their acceptance

of privation and suffering, was something which deeply impressed the public mind. But it did not save them, and their reward was terms more vicious and cruel than had been offered at the start. The owners demanded their full pound of flesh.

The General Strike had demonstrated the futility of the syndicalist approach to social problems. That is essentially the main lesson to be drawn.

The period that followed 1926 was for the trade unions, one of decreasing membership, hardship and re-orientation. In 1933 trade union membership was below the $4\frac{1}{2}$ million mark, from which point it started to climb again. In December 1946, it had risen to $7\frac{1}{2}$ millions, out of a total population in civil employment of 18 millions. Prolonged industrial conflict had cut hard into trade union resources, but more serious than that was the spate of wage reductions which the working class was powerless to resist, as well as the wave of victimisation which followed upon the General Strike. Not content with its industrial victory, British conservatism decided to strike hard in other ways whilst the going was good. They took parliamentary action to make serious changes in trade union law; pushing through the Trade Disputes and Trade Unions Act of 1927 which included many alarming provisions: (1) Whereas under the previous law trade unionists contributed automatically to a political fund out of which the Labour Party was supported, unless they "contracted out" of this obligation by signing a document to that effect; the Tory Government reversed the procedure making such financial support dependent upon the declared desire of the trade unionist to contribute ("contracting in"). (2) It was laid down that civil service trade unions could neither affiliate to the Labour Party nor to the Trade Union Congress; nor could they have any organised relationship with other non-civil service unions. (3) Local Authorities were forbidden to make any rule about employing only trade unionists.

(4) Finally, general strikes and most sympathetic strikes were forbidden—whilst the clauses forbidding them were so loosely formulated as to be open to almost any interpretation. (Only during the life of the present Parliament was this Act repealed.)

Trade unionists on the whole were in a sober mood, not prepared to rush into new industrial strife, and certainly not unless other avenues had been fully tried and exploited. For instance, the leading transport unions at the conclusion of the General Strike signed undertakings not to call a stoppage in future before negotiating with the railway companies or the employers. Between 1920 and 1926, 26 per cent. of trade union expenditure had been devoted to strike pay. The comparative figures for the following periods were as follows; 1927-33—3½ per cent.; 1934-39—3 per cent.; 1940-46—3½ per cent. The working days lost in disputes averaged per year more than 35 millions during the periods 1919-23 and 1924-28. In 1929-33 the average was little more than 5 millions, and in 1934-39 and 1940-44 it had sunk to about 2 millions. Obviously, many other factors contributed to this development, especially after the outbreak of war, which was fully supported by the Labour Movement. But also in evidence was a new realism, a new conception of how trade unionism should progress.

It was in the sober mood that followed the General Strike that the idea of "peace in industry" was launched in trade union ranks, an idea which gradually gained wide acceptance. In 1927 there took place what have come to be known as the Mond-Turner Conferences. The main initiative was taken by Sir Alfred Mond, a chemical magnate, who was backed up by about twenty employers, and Ben Turner, the textile trade union leader, who was officially backed by the Trades Union Congress. The discussions were exploratory and non-committal. On the employers' side were men who sought a new approach because their

class consciousness did not blind them to the fact that trials of strength are bad business, in the long run. On both sides it was felt that for the efficient running of the economy a greater concentration in industry was required and greater central guidance, as well as more settled relations between the organized workers and the organized employers. This meant placing greater reliance upon the regulative principle in relation to industry—with the trade unions playing a vital part in such control—than upon *laissez faire* competition and constant industrial strife. The idea was that both sides of industry would benefit from more efficient production, that it was necessary to strengthen the good relations between the organisations on both sides of industry, and that both sides should therefore work in a spirit of joint responsibility for industry as a whole.

It was Walter Citrine, the General Secretary of the Trade Union Congress at the time, who became the leading and most forceful exponent of this idea of peace in industry as the new approach to industrial relations. He argued it out, not as a policy of defeat and despair, but as one which faced up to the tasks of trade unionism in the modern setting. The *Manchester Guardian* Supplement dated 30th November, 1927 contains a long argued statement on the above lines dealing with the next step in industrial relations. The report of the General Council of the Trades Union Congress on the Mond-Turner Conferences (see *T.U.C. Annual Report 1928*) puts the problem at stake in clear terms. It declares: "Broadly speaking, there were three possible lines of policy open to the Trade Union Movement. The first was to say, frankly, that the unions will do everything possible to bring the industrial machine to a standstill, to ensure by all possible means the breakdown of the entire system, in the hope of creating a revolution on the assumption that this might be turned to the advantage of the workers and to the abolition of capitalism. That

policy the Trade Union Movement has decisively rejected as futile, certain to fail, and sure to lead to bloodshed and misery. The second course was one of standing aside and telling employers to get on with their own job, while the unions would pursue the policy of fighting sectionally for improvements. The objections to this course are that it is entirely inconsistent with the modern demands for a completely altered status of the workers in industry, and that it is a futile policy, a confession of failure, for unions to say that they are going to take no hand in the momentous changes that are taking place in the economic life of the nation. The third course is for the Trade Union Movement to say boldly that not only is it concerned with the prosperity of industry, but that it is going to have a voice as to the way industry is carried on, so that it can influence the new developments that are taking place. The ultimate policy of the movement can find more use for an efficient industry than for a derelict one, and the unions can use their power to promote and guide the scientific reorganisation of industry as well as to obtain material advantages from that reorganisation. Faced with the situation that now prevails in this country, the Council has taken the view that the third course was the only one it was possible to take if the Trade Union Movement was to endure as a living constructive force. That policy affords the best hope of raising the status, security, and standard of living of the workers whom the Council represents." (See *Trade Union Documents* by W. Milne-Bailey.)

This concept of the function of trade unionism in British society under modern economic and social conditions has come to guide those who represent the dominant trend in British trade unionism today. It is based on a rejection of the class warfare doctrine and of political revolutionism. To trace how far it has contributed to the gradualist outlook in the British Labour Movement and how far it is a consequence of this would make an inter-

esting study. Certainly it has its roots in the political soil of this country and the deep-rooted traditions which make British Democracy with all its evils and imperfections—something unique in the world in that it has a stability which yet does not preclude growth.

The second World War plunged the British Trade Union Movement into a widespread application of this policy. In its early stage all government departments were instructed by the Prime Minister (Mr. Chamberlain) not to take decisions on matters of importance to working people without consulting the Trades Union Congress. The vast edifice of Boards and Committees which was gradually erected to guide and run the country under conditions of war could never have existed or operated had not British Trade Unionism accepted the responsibility to become an integral part. After the war came the Labour Government following a policy of full employment, economic planning and public ownership, to be safeguarded, however, within a *free* society. The regulative principle had been carried a step further, involving trade unionism in new opportunities and tasks, new social responsibilities. Full employment, planning, nationalisation, all create their own particular problems that need tackling in a spirit of radicalism and realism. Such problems as manning the undermanned industries, a wages policy to meet the needs of the situation, the workers' role in nationalised industries, new forms of industrial incentives to replace the harsh lash of unemployment, training and educational problems to equip a much larger number of workers to take over managerial and other important functions—these are but a few of the manifold problems which face Britain today and which are of vital concern to the Trade Union Movement in particular. The attitude the workers take to these problems is important not only in respect to the future of trade unionism, but the whole experiment of

creating a society based at one and the same time on freedom and planning.

Has "peace in industry" been a success? Yes—and No. It has produced good results in terms of a rising wage level, a certain degree of economic security (so long as with trade union aid economic reaction can be kept out of the saddle) and within society a strong respect for the working man. But many black spots mar the picture even in the eyes of those who do not believe in revolutionary trade unionism or undiluted class warfare, within the British setting. Peace in industry—like peace within the nation or in international affairs—gives rise to the questions: What kind of peace? Peace at what price? Peace in industry has in part led to sectionalism, to implicit or explicit pacts between trade unionists and employers of mutual advantage to them but which worked out badly for the rest of the community, including their trade union colleagues. Top level committee work on Boards and Councils has swallowed up an increasing amount of the energies of leading trade unionists, with the result that British trade unionism has taken on not only an air of greater responsibility but also of respectability, so that more militant methods of action not only secured less scope but also less favour. There developed a sense of divorce between the high-powered trade union representatives at the top, equipped for responsibility and touching shoulders with the highest in the land, and the man on the machine, who found his trade unionism too much organised from above and out of relation to many of the grievances which moved him. Under these circumstances there developed increasing self-satisfaction at the top and a sense of frustration below. As for trade union power, trade union negotiators can never be accused of being indifferent to it, though they probably conceive it more in terms of members, efficient organisation and good finance than of anything else, as well as something which

should be, in the background, rather than front stage. Finally, the stress upon an identity of interests within the national community has no doubt placed a brake upon the internationalism of British trade unionism, and led to a certain unpopularity there.

British trade unionism is certainly not an article for export. It is too much attuned to the social conditions of these islands to have easy application elsewhere. British trade union history shows that trade unionism is something that evolves and changes, that a function which in one period is vital becomes in another era out of date. What is important is that trade unionists everywhere thrash out their purpose and clarify their concepts and thus become aware in which direction they are heading, and why this is so. One of the main weaknesses in communist work has been that they followed a rigid theory which they sought to impose on every Labour Movement—until subservience to Soviet Russia became the sole guide. That kind of dogmatism has never seized hold of the Movement where a more healthy concept of trade unionism prevailed. Finally, history shows that above all things it is economic crisis that plays havoc with trade unionism, and a policy against unemployment and a struggle to gain its political acceptance must be one of the main objectives which trade unionism must produce.

IV. AMERICA

There are more than 60,000,000 organizable workers in the United States. Of these, approximately 15,000,000, or about 25 per cent., are organized. Of the organized workers, about 7,000,000 are in the American Federation of Labour (AFL), 6,000,000 in the Congress of Industrial Organizations (CIO), and about 2,000,000 in the railroad unions and in the so-called Independent Unions, including John L. Lewis' United Mine workers.

While the trade union movement in the United States is over a century old, it is only in the past 30 years

that it has achieved significant strength, and only in the past 12 years that industrial unionism, as exemplified by the CIO, has emerged as a powerful, influential force.

And, significantly, it is only within the past four years that the union movement has attempted to enter the political field. The beginning was made in 1944, when the CIO formed a Political Action Committee (PAC) to fight for the re-election of President Roosevelt. The committee functioned mainly as educational groups and as adjuncts of the Democratic Party concerned with getting workers to register and vote. Their exact place, their exact orientation, has never been clear and decisive. Mainly, they are concerned with arousing the electorate to vote for those politicians, theoretically of either party, who will defend the interests of the common people. This is admittedly a difficult task in America, where both the Democratic and Republican parties are run by rooted machines and by powerful groups of industrialists who ordinarily are not too interested in sending peoples' champions to Congress or the state legislatures.

But unlike Britain and other countries, there is no labour party of any significance in the United States. There has never been a "CIO party" or an "AFL party." There is in New York a state American Labour Party which polls about 450,000 votes; there is a Communist Party which has polled nationally little more than 100,000 votes; there is a Socialist Party which once, in 1920, polled over a million votes, but has not since made any significant demonstration of strength; and there are various tiny splinter parties which have gained a few thousand votes here, a few thousand there.

The American labour movement has not reached the point of considering itself a political movement. It is a fluid, uncrystallized mass within the major political parties, particularly the Democratic Party; and it has been content so far with throwing its support to candidates in both parties, seeking through such pressure to elect "friendly"

men to office, in some cases being content with the choice of a "lesser evil." Where it counts, in the smallest organizational elements of political parties—the city and state machines—the unions have barely begun to penetrate. This is unhappily reflected in the composition of the highest legislative body in the land—the Congress—in which labouring men constitute only an infinitesimal minority, swamped by lawyers, manufacturers and professional people.

This is perhaps the greatest weakness of the American labour movement—political immaturity, political timidity. There has been in recent years the beginnings of a trend toward political awareness on the part of all trade union organizations, particularly the CIO; yet it has been very much like the man who thrusts his toe into a cold pool afraid to dive because he fears the water. American labour has been afraid to get wet; it has been tied by adherence to the two-party tradition, and to a large extent by the bourgeois ideology of its leadership, which has yet to conceive of labour's role as vigorously independent and politically forceful.

Many people from other countries are confused by the distinctions between the two giants of American labour—the AFL and the CIO. What is the difference between them? Why are there two separate organizations?

The AFL is a combination of craft unions. It organizes workers on the basis of their skills. For example, it may go into a factory and organize as many as 50 or 60 locals—one for the riveters, one for the machinists, one for the painters, one for the electrical workers, and so on. The example is deliberately exaggerated. In actuality, the craft type of organization has discouraged and hampered the organization of large factories. It results in a scattering of forces, in a loss of labour solidarity, in a confusion that makes contract bargaining exceedingly difficult. A wedge is driven between workers, who are divided into numerous fractional organizations.

To organize mass production industry, a different kind of union was needed. In 1935, a large group of workers belonging to the AFL split away from it and formed the CIO—which, as its name indicates, is an industrial rather than a craft union. The CIO is a combination of autonomous unions which organize on the basis of entire factories and entire industries. All auto-workers, for example, belong to the United Automobile Workers, whether they turn nuts and bolts, assemble parts or paint fenders. This broad, inclusive character is typical of almost all CIO unions.

Such organization recognized the growing concentration of American industry into large productive units under the control of smaller and smaller groups of industrialists and financiers. It was, in a sense, the organization of power to fight power. Its success was indicated in the mass-scale organizing of workers which brought 6,000,000 men and women into the CIO in 12 years, particularly in heavy industry such as steel, auto, etc. From its inception, the young CIO has been a more militant organization than the parent AFL. Its vigorous organizing campaign swept the country, aided to an extent by the favourable labour legislation passed under Roosevelt's administration—which, for the first time in history, recognized and protected labour's right to organize.

While in instances the line of demarcation between AFL and CIO appears clear, the picture is not so simple—particularly in terms of political orientation. For again, not only is there no labour party, but no political party controls either labour organization, or any major segment of either of them. There are in the CIO, for example leaders who are Democrats occasional Republicans, some Communists, some Socialists, some independents. In general, particularly during Roosevelt's administration, the majority of CIO workers, recognising the Republican party as completely under the control of big business in-

terests, has voted for Democrats. But there is no over-all determinable political complexion in the CIO.

Similarly in AFL. Even in this comparatively conservative organization, whose top leadership is fossilized, there are in various unions strong Communist influence; in others, such as the clothing workers, there is strong Socialist and Social-Democratic influence, and so on. In no sense can one say that politically the AFL or the CIO are one definite thing or another. They are polyglot mixtures, both in peoples and in politics. The amalgam is the weak but growing awareness of class and the burning need for organization to protect the workers' standard of living. And from this perhaps may emerge an American labour movement which may also be an American *political* labour movement. Much depends on the vigour of labour's reaction to the bold, aggressive concentration of political as well as economic power in the hands of industrialists and their chosen instruments now proceeding swiftly and ruthlessly in America.

The early American trade unions although primarily local, almost invariably were politically active in the fight for free education and for the extension of the franchise. In fact, for over one hundred years the trade union movement fought for these two elementary aspects of practical democracy. As early as 1830 workingmen's political parties were in existence in the large cities of the eastern seaboard.

However, the labour movement did not achieve national prominence until the early 1850s, 60s and 70s. At that time groups of strong local craft unions were drawn together into national unions and under the guidance and intellectual stimulus of numerous revolutionaries who had emigrated from Europe as a result of the failures of the 1848 Revolution, the labour movement in America rapidly took on a socialist outlook.

The Knights of Labour, 1880, which was the first nation-wide federation of national unions had a frankly

socialist outlook and was organized on an industrial union basis rather than on a craft basis. But through a series of personal dispute, errors in organizational structure and semi-political strikes the Knights of Labour rapidly disintegrated.

But with the launching of the Knights of Labour the American labour movement dedicated itself to the establishment of the eight-hour day, to the legal recognition of collective bargaining and the abolition of court injunctions in labour disputes.

It is significant that national strikes and general strikes were both employed by the Knights of Labour. For example in 1870, the railroad unions struck on a national basis demanding the eight-hour day. In this strike as in many others during the period from 1870 to 1910, the state police and state militia were employed to destroy the movement.

In 1886, the American Federation of Labour was founded and like the Knights of Labour was openly socialist in outlook adopting as its motto—"Workers of the World Unite." But the American Federation of Labour, unlike the Knights of Labour, definitely established the craft union and the federation of local craft unions as its basic organizational structure. And unlike the Knights of Labour, the American Federation of Labour leadership, particularly under Samuel Compers, its first president established a completely pragmatic catch-as-catch-can basis for the trade union movement. Very rapidly the leadership of craft unions adopted a simple-minded wage-and-hour philosophy. They limited the activities of their unions to obtaining local labour market collective bargaining contracts that would govern wages and hours. Beyond this they did not attempt to stimulate their membership into wide-spread general political activity or discussion.

Because of the simple economic premises on which the American Federation of Labour made deals with the

employers, the American Federation of Labour has become and still remains today the classic example of business trade-unionism. Particularly since the American Federation of Labour unions were composed of highly skilled craft workers it was possible to make business deals with groups of employers by which the price of the particular product which would be raised and the percentage of the total income of the industry which went to ownership would remain the same.

Because of the general adaptation of the American Federation of Labour to the growing capitalism in America, the more radical and militant elements in the American Labour movement found the International Workers of the World on the basis of industrial unionism and with the objective of one big union for all workers.

The IWW was deeply influenced by French syndicalism and by the general anarchist advocacy of militant economic action. The IWW stimulated many vigorous direct action assaults upon various sectors of American industry during its twenty years of active existence.

Many of the socialist and communist leaders of the 1920s in American labour received their first training from the IWW. For example, William Z. Foster, the present chairman of the Communist Party, U.S.A., was a member of the IWW and many leaders of the more radical CIO unions today, in their youth were also members of the IWW. Eugene V. Debs, probably the most-loved labour leader in American history, was closely associated with the IWW, although also with the American Federation of Labour. As Socialist candidate for presidency and leader of the organized railroad labour movement in America, he spent many years in jail for violation of court injunctions and upon one occasion received more than one million votes for presidency of the United States while serving such a jail sentence.

Eugene V. Debs was as well known a militant socialist as a great trade union leader.

It should be pointed out that in the period from 1900 to 1925 the entire American labour movement struggled vigorously for the establishment of a national eight-hour day. In 1916, under war condition the railroad unions were able to force President Wilson and subsequently the Congress of the United States to enact an eight-hour day for railroad workers.

In 1919, the Steelworkers trade union led by William Z. Foster engaged in an epoch-making steel strike against the American steel monopoly in behalf of an eight-hour day and although this strike was broken with the help of troops and industrial spies and police, one or two years later the U. S. Steel Corporation voluntarily established an eight-hour day.

Throughout this period in American labour from 1900 to 1925 literally thousands of court injunctions were issued against trade unions and all types of legitimate trade union activity, such as picketing. Therefore we find that the entire trade union movement, regardless of particular political outlook, struggled vigorously for the enactment of anti-injunction legislation.

In addition there was constant political agitation for the enactment by Congress of a national law establishing legally the right of collective bargaining. During the First World War under the National Labour Board the right of collective bargaining was recognized legally and enforced. As a result the trade union movement which up to that time had only two and a half million members grew rapidly to more than five million. The American Federation of Labour under Samuel Gompers' leadership vigorously supported the First World War efforts. The more radical elements opposed the war. Eugene V. Debs was sent to Federal penitentiary on charges of treason. The IWW vigorously engaged in militant economic sabotage particularly in the wheat fields of the Great Plains states and in the metal mining areas of the Rocky Mountains and the great wood producing areas of the Pacific Northwest. But by and large the labour move-

ment accepted the First World War and successfully employed war time pressures to push forward trade union organization and to establish new working hours and conditions.

Subsequent to the World War, in early 1921 and 1922 the National Association of Manufacturers, the political arm of the two hundred largest American corporations, launched an economic and political crusade against organized labour. This crusade was accompanied by a violent nation-wide red scare in which thousands of people were arrested; hundreds deported. It is worthy of note that Mr. J. Edgar Hoover, the present head of the Federal Bureau of Investigation, at that time was in active charge of what became known as the Palmer Raids, so-called because ordered by the then Attorney General, Palmer. In a short space of two and a half years the open shop drive against organized labour launched by the National Association of Manufacturers reduced trade union membership from five million to its pre-war figure of two and a half million. During this period numerous injunctions were issued against strikes and numerous state governors employed the state militia to break strikes by outright violence.

The whole trade union movement in 1924 suffering under the impact of this employer offensive decided to support the presidential candidacy of Senator Robert LaFollette. The railroad unions, the Amalgamated Clothing Workers Union and numerous present day unions actively and publicly endorsed the candidacy of Robert M. LaFollette for President of the United States in 1924. Senator LaFollette was defeated but received more than five million votes.

From 1924 until 1929, American business was exceedingly prosperous with the growth of industries such as automotive and electrical as well as rapid enlargement of the steel industry. But American labour because of the

intense political and economic drive of American business was unable to make headway.

With the onset of the great depression with twelve million people unemployed the organised labour movement pushed with all of its political strength to enact anti-injunction legislation. This drive which had lasted since 1900 was finally successful with the enactment of the Norris-LaGuardia Anti-Injunction Act which forbade federal courts from issuing injunctions in labour disputes.

With the election of Franklin Roosevelt in 1933, the Congress of the United States passed the National Industrial Recovery Act with Section 7-A which legally guaranteed the rights of organized labour to organize and bargain collectively. Although the exact language of section 7-A had been recommended by the Commission on Industrial Relations in 1915 after the examination of 30,000 labour disputes and although the identical language had been used in Order No. 1 by the National Labour Board in 1917, it still remained for Franklin Roosevelt in 1933 in the midst of the greater American depression to enact into law the legal right to organize and bargain collectively. As a result of this recognition of the workers' right all of organized labour publicly and openly supported the re-election of Franklin Roosevelt in 1936, 1940 and 1944.

There then ensued drive to organize the unorganized workers. For example, the United Mine Workers of America which in the early 1930s had been reduced to a union of 40,000 members grew within six months to a union of 450,000 members. The first sustained efforts to organize the electrical and automotive industries as well as the steel industry began to take shape.

After considerable bickering over the proper interpretation of Section 7-A, the Congress of the United States in 1935 passed the National Labour Relations Act. This Act—which forbade the use of industrial spies, the inter-state transportation of scabs and unfair labour prac-

tices such as intimidation of workers by employers—established the principle of secret elections to determine proper bargaining agency by majority vote.

Shortly after its enactment the industrial unions (a minority) in the American Federation of Labour withdrew from that federation and established the Committee for industrial organization. This Committee—under the great leadership of John L. Lewis, President of the United Mine Workers, Philip Murray, then Vice-President of the United Mine Workers and Sidney Hillman, the great President of the Amalgamated Clothing Workers—established a general organizing fund of five to ten million dollars and began the organization of the basic industries of America. Within two years the rubber industry with 250,000 employees, the automotive industry with 750,000 employees, the electrical industry with 400,000 employees and the steel industry with close to a million workers had been organized, at least, in the major units.

The American labour movement thus became divided between the American Federation of Labour and the Congress of Industrial Organization. By 1940 both of these great federations of labour with the help of the Wagner Act (National Labour Relations Act) and the National Wage and Hour Act passed in 1938—had each achieved a membership of five million workers.

This period from 1933 until 1940 was probably the greatest offensive of the organized labour movement in American history against American industry.

As described already the activities of the organized labour movement between the period from 1933 to 1940 constituted probably the greatest offensive in its history against American industry. But it should not be thought that American industry, which by 1935 had achieved a high degree of monopoly control, submitted without a struggle to the establishment of unions. In 1937 in the strike which took place in the Little Steel industry, chosen

of workers were killed and many hundreds sent to the hospital by police action.

The son of the elder Robert LaFollette acting as Chairman of a Senate Investigating Committee on Civil Liberties was able to demonstrate that more than 40,000 paid industrial spies were operating in America. This Committee exposed hundreds of such spies within the trade union movement. It was able to show that many large corporations had built up private armies, purchased tear gas and machine guns with which to fight union activity and that the corporations in America were engaging in every possible type of anti-union activity.

Probably the most bitter strikes in American Industry took place in the rubber and automotive industries which compare with the French labour movement in the use of the sit-down strike on the job as a primary weapon of organization.

Only under the most intense economic and political pressure did the major segments of American industry submit to the establishment of unions. Indeed, it is the belief of many observers of American labour that these corporations—the two hundred major corporations which own more than half of all American corporate wealth—have never accepted collective bargaining.

Although the right of collective bargaining was established in 1933 under Section 7-A and finally spelled out in detail in the National Labour Relations Act, hundreds of corporations refused to abide by the Act and challenged its constitutionality. The United States Supreme Court declared the National Labour Relations Act constitutional in 1937.

But the major segments of American industry simply took other methods of attempting to destroy the Act once they were forced to recognize its legality. Between 1938 and 1946 more than one hundred and fifty crippling amendments to the National Labour Relations Act were offered in the Congress of the United States. Under the

instigation of the employers, the National Labour Relations Board, the agency administering the Act, was investigated for subversive activities on four separate occasions. Its employees were attacked as communists and socialists and the appropriations of the Agency were several times drastically reduced.

Subsequent to the 1946 elections in which the Republican party achieved control of the House of Representatives and Senate of the United States for the first time since 1928, the Congress of the United States passed the now infamous Taft-Hartley Bill which in substance destroyed the original intent and procedures of the National Labour Relations Act of 1935. The Taft-Hartley Bill of 1947 has returned the organized labour movement in America to the period of injunctions, lock outs, refusal by employers to bargain collectively and all of the rest of the evils which existed prior to 1933.

It is perhaps a difficult thing for people in India to realize that a powerful American labour movement can be subject to such devastating attack. The elementary arithmetic of the situation perhaps will make clear why such an attack is made and why it is successful today.

There are at present sixty million workers of whom only fifteen million are organized into legitimate trade unions. The trade union movement so far has failed to educate its membership in the mass, on a general welfare programme. The result is that large sections of unorganized workers have been successfully turned against the organized labour movement by the incessant propaganda of the National Association of Manufacturers. This latter organization of employers on its own admission has spent more than five million dollars in a public relations campaign to destroy the Wagner Act.

While to observers abroad the American labour movement appears to be exceedingly powerful these observers have not noted its relative weakness compared to

the enormous concentrated strength of American monopoly.

Two hundred major corporations received roughly seventy per cent. of all war contracts during the second World War. These same two hundred corporations own more than half of all corporate wealth in America. These corporations have roughly 3,000 members on their Boards of Directors of whom three to four hundred serve on the Boards of more than three corporations. There is a tight interlocking control from a group of eight banks with the Board of Directors of these two hundred major corporations.

This intense degree of control and the financial strength of American monopoly is not understood abroad. It might even be said it is not well understood within America itself. It is significant that sixty-five thousand people own more than half of all the stocks and bonds of all American corporations and the seventy-five thousand people receive more than one-half of all dividends paid by all American corporations.

Since the death of Franklin Roosevelt every liberal New Deal official has been removed from national office and a series of industrialists, bankers and military generals have taken their place by appointment of President Harry Truman. Thus we find that the Republican Congressional victory in the 1946 elections have been paralleled by what amounts to a creeping control of the executive branch of the Government by Wall Street. Accompanying the action of the Congress of the United States in the passage of the Taft-Hartley Bill and removal of all price controls, 32 of the 48 state legislatures have within the last year and a half enacted state anti-labour laws. Thus the trade union movement is suffering both from state as well as federal action.

The meat trust is in process of smashing a national union, the Packinghouse Workers of America, CIO, which recently called nation-wide strike. In more than a dozen cities, police have been employed to break union

picket lines and in one state the National Guard has been ordered out.

Roughly half of all trade union contracts will terminate by the end of the summer and in industry the companies are refusing to bargain collectively with the unions. The steel industry has refused any pay increases to its workers. The electrical industry led by the great General Electric and Westinghouse Corporations has followed suit. 75,000 automobile workers employed by the Chrysler Automotive Corp. have been on strike because of the company's refusal to bargain. The General Motors Corp. which produces roughly half of all American automobiles and trucks is similarly refusing to bargain. A nation-wide railroad strike was averted in the middle of May by the seizure of the railroads by the Federal Government. But in this instance the Federal Government is without authority to negotiate contracts with the railroads unions and therefore in effect the seizure of the railroads constituted a breaking of the railroad strike. This was the second time in two years that President Truman has broken a nation-wide railroad strike.

The contracts of the great United Mine Workers Union of America terminate on August 30th and another nation-wide coal strike is in the offing. Contracts in the shipping and longshore industries as well as in processing and metal mining are rapidly terminating with the companies adopting a ruthless position. Industries indeed too numerous to mention are refusing wage increase and are refusing to bargain collectively.

Thus a new era in the history of American trade unionism is rapidly taking shape—the Taft-Hartley era, the era of combined political and economic reaction under the general direction of the National Association of Manufacturers and the two hundred major corporations in American life, who on the record have refused to accept trade unionism as a basic part of the American institutional pattern.

Within the past eight years American monopoly has made its greatest profits in its entire history. Last year's total profits after taxes were 17.5 billions of dollars, roughly four times as great as total corporate profits after taxes in 1939.

The two hundred major corporations owning more than half of all corporate wealth in America, financed the campaign to destroy price control, (1946) and now are reaping exorbitant profits on the basis of steady inflation. The price level has risen roughly thirty-five per cent. in the past 24 months, and threatens under the appropriation for the ERP and the American re-armament programme to rise even further.

Wage increases gained in the last two years have been more than offset by the peace of inflation and the 60 million American workers are roughly twenty per cent. worse off in terms of their standard of living than they were in 1943. The consequent result is that as American industry refuses on a broad front to grant any further wage increases and since these employers through the Taft-Hartley Act have nullified the Wagner Act, American trade unionism is facing a showdown with American capital.

In the face of this tremendous capital offensive the old American Federation of Labour based on craft unions, which has been essentially nonpolitical, has decided to go into political action. Indeed all sections of the American labour movement have established new independent political action committees.

Simultaneously with the new understanding of the American labour movement that every economic problem is a political problem and that without political action the trade union movement will be destroyed, Mr. Henry Wallace, the former Vice-President of the United States has launched a new political party.

Intense internal conflict has been engendered particularly in the CIO by the launching of this new party

with the more radical and militant unions actively supporting its formation. Other key unions in the CIO, such as the Amalgamated Clothing Workers and the United Steelworkers of America have bitterly assailed the third party—the new party—as a blow to the unity of American labour in the 1948 elections.

Internal conflict within the CIO and within the AFL is now definitely on the increase. Under the pressure of the employers, conflicts within each federation and between the various international unions have been intensified. And it is probable that the labour movement will be further divided under the pressure of the general tide of political and economic reaction. At the same time the division of opinion over American foreign policy within the labour movement has increased. Those unions led by ardent Catholics vigorously support the American foreign policy, while unions led by militant socialists or communists have opposed that policy.

The two old parties are openly submitting to the direction of the National Association of Manufacturers. The labour movement while five times as strong as it was in 1933 has already lost the political advantages which it gained under the Roosevelt Administration and now in the face of the 1948 elections is dividing on political grounds.

The whole trade union movement exists now under an anti-communist attack which has reached tremendous proportions. For several years the Hearst and Scripps-Howard chain of newspapers assisted by the Un-American Activities Committee of the House of Representatives systematically built up a great anti-communist hysteria. Without any question this campaign has been the major weapon in the psychological warfare by which American capital has prepared the American middle class for the outright violent smashing of the American trade union movement.

It is difficult to estimate the general outcome of the Armageddon now shaping up within America. The trade union movement has enormous reserves of intelligent membership and considerable financial reserves although these are subject to court seizure and injunction procedures under the Taft-Hartley Act. A new and clearly discernible wave of militancy is beginning in the American trade union movement as the first overt response to the employer offensive. At the same time some of the older leaders of the American trade union movement are attempting to fall back on the old tactic of business deals as a method of protecting their own particular organization.

By and large the American labour movement was organized in the fire of militant struggle. It is not too much to predict that the workers will not submit to the loss of the right of collective bargaining and the other civil rights guaranteed to all the American people under the Bill of Rights of the Constitution of the United States.

The American labour movement enters the battle, however, with great weaknesses. The basic split between the American Federation of Labour and the Congress of Industrial Organizations prevents unified action. The division of ideology between those trade unionists who believe in business trade unionism against those socially conscious unionists further divides both the CIO and AFL internally.

The divisions within the American labour movement lead to intense organizational competition between unions—each union being run as a kind of small empire, sufficient unto itself. Probably the greatest weakness, second only to the organizational divisions is the fact that the mass membership of American unions have never been educated by their unions on the basic economic and political facts of American life. The consequent result is a failure of leadership on a local union level.

particularly in the relationship of local unions to local communities. A third weakness is the physical age of the national leadership of many unions. Most national leaders of AFL unions are in their late 60's or 70's. Their meetings have the aspect of National Health conventions rather than labour organizations.

Anyone reading this brief survey will have noticed that American labour has always contained diverse elements, both conservative and radical leadership but the more militant radical leadership has never at any time been the dominant factor. The constant growth of American capitalism and westward spread of the frontier plus the steady waves of new immigrants from Europe both prevented the growth of and yet at the same time re-established a minority of militant, radical trade union leadership.

The more conservative unions, particularly the Building Trades which are the core of the American Federation of Labour, have engaged in corrupt machine politics in the big cities with the consequent result that the unions were never able to engage in independent political action on a programme of general welfare. The great organizational diversity of the American trade union movement has resulted in a great variety of special labour legislation in the various large cities and industrial states. Thus, while American labour has achieved specific benefits via the legislative process, it has never successfully engaged in nor educated its membership on a general welfare programme.

Today the CIO with thirty-seven separate international unions and the AFL composed of more than one hundred fifty separate internationals find themselves incapable of unified economic or political action. This semi-paralysis is a direct result of organizational division and basic political and economic differences of opinion within both major groups as well as between the two groups.

However the CIO, which has roughly twelve thousand local unions and six thousand full-time employees, has much greater activity than the AFL. This latter grouping of craft unions has more than 60,000 separate local unions and sixteen to seventeen thousand full-time employees.

The concentrated assault now being levelled against the American labour movement may yet develop unity of action and outlook spreading from the local union level to the upper levels of the leadership in the various internationals and in the two federations. The speed with which this unity of action and outlook is achieved will determine the future of the American labour movement.

V. FRANCE

For the third time in the last thirty years or so, a deep split took place within the C. G. T. (French trade union centre) early in 1948. On all three occasions events connected with Soviet Russia were at stake. The first schism took place in 1920. It was essentially the result of a struggle between Third International communists and French syndicalists. The second break occurred in 1939 when hostility developed on the issue of the attitude to the War, following upon the Russian-Nazi pact. It was during the Resistance struggles that unity was again achieved. When the War came to an end, the communists exercised a powerful influence, and conquered key positions in the C.G.T., partly by the vigour of their work and partly because they engaged in shady practices which produced quick results. During the whole post-war period *Force Ouvriers*, the socialist trade union paper, has been compelled to protest at the undemocratic practices engaged in by the communists in the Unions, by which they artificially enhanced their power. They also complained that the trade unions were not allowed to get on with their proper tasks because of being used by the communists for party political ends.

For instance, when the Communist Party was a part of the Government, to strike was regarded by them almost as a treasonable offence, whilst the strike weapon was used lavishly and irresponsibly when the party line was changed after the Cominform was launched.

The socialist minority within the trade unions worked hard to avoid this new split. At the *Force Ouvriere* conference which took place on the 8th and 9th November (1947) the decision was taken to work constructively within the C.G.T. to democratise it and improve it, and the existing autonomous unions were invited to rejoin and work within the C.G.T. for the same end. But after that came the general strike, which the minority leaders from the start refused to be associated with. But it was not only the issue of the strike itself but the methods used by the communists—often no consultation of the members, terrorisation of trade unionists, assault on pickets and even kidnapping took place—which led to the final break. Disgusted with these methods workers tore up their union cards, and whole Unions left the C.G.T. as a body.

This was the situation which led to the calling together of a special *Force Ouvriere* Conference on the 18th December. It was attended by 54 delegates. Although Jouhaux pleaded with the conference to remain within the C.G.T., despite all calamities and difficulties, only 4 delegates favoured that course, 6 favoured delaying a decision, and the remainder favoured the formation of a new trade union centre. In the end the decision to adopt the latter course taken in accordance with the mandates of 71 centres, 52 being in favour, 5 opposing, whilst 14 abstained from voting on the issue. Obviously the decision was a very difficult one to take, for it meant leaving in the hands of the communists the prestige, property and finance of the C.G.T.

Force Ouvriere had therefore to start anew. It went into action from a small room in Paris which became its

headquarters. During the first days of this new existence it was overwhelmed with applications for membership. Thirty or more Unions per day came to join up. It is too early to assess, however, by what proportion the C.G.T. membership will be reduced. Many trade unionists believe that out of the 6 million members that were registered in 1947 two-thirds will leave, but that may prove too exaggerated an assumption. Every effort is being made by the communists to hold trade unionists within the C.G.T. and by promoting as rapidly as possible non-communists within the C.G.T. an attempt is being made to cover up the communist domination which in fact exists. Since membership cards are issued early each year, it should soon be possible to gain some impression of the relative strengths of the C.G.T. and the *Force Ouvriere* combination.

Force Ouvriere are not fighting this battle alone. From the 27th to the 31st December negotiations took place between *Force Ouvriere* leaders and the Co-ordinating Committee of the autonomous Unions outside the C.G.T., which led to an agreement to combine. A provisional Committee of the C.G.T. "*Force Ouvriere*" has now been set up composed of 23 representatives of the original *Force Ouvriere* and 3 of the autonomous unions.

There are those who believe that the communists regard the general strike they promoted and the consequent developments as a serious defeat, since the working classes have not been brought thereby to a higher pitch of revolutionary enthusiasm but to a feeling of disillusionment. There are others, in contrast, who believe that the communists are the real victors in all this, and that the socialists have allowed themselves to be outmanoeuvred. For the communists have on the one hand a powerful trade union centre at their entire disposal, and members lost today may be won tomorrow if in resources and vigour the socialist-controlled Unions cannot compete effectively with those in the C.G.T. and

if, as seems likely, the economic situation deteriorates still further. It is impossible from this end to assess accurately enough which trade union trend is the stronger, and how these fateful decisions of recent weeks will work themselves out. Membership figures when announced will provide some indication.

In the meantime DeGaulle has proclaimed an economic policy on the lines of the Corporate State as applied in fascist Italy, Portugal and Spain. His political programme is in opposition to party government. To the workers he speaks of the "magnificent role" which could be played by a "new trade unionism, cleansed entirely of politics."

There is little chance of the trade unions setting on with their industrial tasks so long as they are pushed and pulled in every direction by political forces for party political ends. This is a lamentable consequence of the polarisation process that unfortunately gained a footing, and is now being actively promoted under the aegis of the Cominform. DeGaulle can bide his time, a sinister figure waiting for economic disaster and political confusion to deliver France into his keeping.

Two interesting trade union conferences were held in France in April 1948. One was a national conference of shop stewards summoned under the auspices of the communist-controlled CGT, the other the national congress of the CGT Force Ouvriere, the trade union centre which was formed in recent months.

There is a common pattern running through communist trade union activities in Europe today. Where communists can command the necessary power, they capture the leadership of the industrial movement and use their position to promote a policy dictated by Russia and the Cominform: they slander the West, oppose and try to nullify Marshall Aid to Europe, make impossible economic demands and follow a wages policy which is attuned to their political propaganda and purpose. They

supplement their leadership from above by leadership from below, by conducting a vigorous campaign within the factories on similar lines. Where the Communist Party proves incapable of capturing the leadership of the Trade Union Movement, they use communist influence in the factories to promote a rival leadership "from below" which carries on a demagogic campaign against the official leadership. In this they seek to draw upon the more ignorant and unorganised elements within the factories, increasing their disgruntledness and thus gradually creating a force which is amenable to communist propaganda and pressure.

The calling of the Paris National Conference of Shop Stewards was one of the many links in this strategy. It was organised on lavish lines and concluded with a monster demonstration in the Sport Palace where leading CGT officials spoke. The reactionary press sounded a note of alarm about the whole proceedings, and this mighty gathering seemed to confirm their worst fears.

This was the first meeting of its kind since 1945 when the factory committees were set up and the workers granted increasing powers to participate in management. During the period when the communists were still in the Government they paid no attention to these committees, and the CGT did not trouble to call any conference. But now the situation is different. The Communist Party opposes indiscriminately all that the Government does; they want to create a new instrument to defeat the CGT Force Ouvriere and make the position of that organisation untenable; finally whatever direction communist policy will take in future—whether revolutionary adventurism with the idea of seizing power or militant strike action with the idea of crippling France, economically and politically—there is the need for "action committees" of the kind that played such a useful role in Czechoslovakia as indeed in all the "People's Democracies."

The communist press announced that 8,700 delegates attended the Conference representing some 7,000 factory committees. We can reckon with a certain amount of exaggeration; there are about 15,000 factories in France employing 50 or more workers and in approximately 6,000 of these factory committees have been established. Nevertheless, the attendance was indeed impressive, and an indication of the extent of communist influence in the factories. All resolutions were unanimously adopted.

Attacks on socialist ministers, on the USA and the Marshall Plan dominated the picture, as far as general propaganda was concerned. Two decisions were important from the angle of communist power. It was decided to set up a National Council as a permanent body to coordinate and direct the work of the factory committees; Frachon, the General Secretary of the CGT, instructed delegates to form "defence committees for Republican Liberty". Factory Committees were also called upon to "defend and reconquer" the nationalised industries. Whilst the menace coming from America and French vested interest was continually stressed, this particular decision was not unrelated to the fact that in the past months most communists have been removed from the leading posts they held in the nationalised industries because they had exploited such positions for party ends and for indiscriminate attacks upon the Government. In many cases they had been replaced by representatives of Force Ouvriere and of the Christian Trade Unions. The Conference delegates were instructed to eliminate these "false representatives of the workers interests."

A more genuine point which received the Conference's attention was concerned with the question of workers' inspection of factory accounts. Regulations had been laid down in 1946 according to which the workers' representatives were granted the right to avail themselves of the services of an expert accountant to check the

balance sheets of firms and the profits made. The employers resisted the application of this regulation, and a conflict on the issue developed, which ended in defeat for the workers. The employers succeeded in obtaining a legal interpretation of the regulations which was in their favour since it restricted the right of inspection to joint stock companies.

As in Italy, the communists in France lack parliamentary power and are thus unable to penetrate the state machine and gain control of key ministries. Short of that they will hardly be in a position to attempt to seize power, for the whole state apparatus will be ranged against them. Nevertheless, the Communist Party remains a power in the country, and their hold upon the Trade Union Movement is the most important source of their power.

The Congress of the CGT Force Ouvriere met about four months after the split in the CGT occurred. It formally established this new trade union centre. This first Congress was in many respects encouraging. In previous splits (in 1921 and 1939) the younger elements to a substantial degree had gone to the side of the communists. The position was different this time. The people attending the Congress were young, active and enthusiastic. There were 1,435 delegates of whom about 80 per cent. were between the ages of 20 and 40. They represented 17,735 Unions with a membership of approximately one-and-a-half million trade unionists, according to the report of the general secretary. The attempt is being made to attain equal strength with the CGT by the end of 1948; it is probably the case that this target is pitched too high.

The main elements within Force Ouvriere are trade unionists influenced by socialists and by syndicalist ideas. The difference in outlook of these two groups inevitably showed itself in discussion, but there was no sign of faction work or basic disunity. All elements were united in one common endeavour, namely to maintain trade

union independence (independence from party and government control) and internal democracy in trade union life. If anything, this desire for independence went too far, nurtured as it was by recent experience with the communists, who had treated the unions as mere instruments for party ends. The anarcho-syndicalist spirit of the pre-1914 period reappeared. The majority were opposed however, to isolating the unions from the state, as a matter of principle. The text in the preamble to the Charter (which the Congress discussed and in a modified form accepted) stated on this point that trade unionists cannot be indifferent to the form of the state, and that they have therefore a right "which can become a duty to contact and co-operate with the Government for certain purposes if and when the situation demands this." This section of the Charter was accepted by 14,752 votes to 1,786.

One of the most controversial points was that of international affiliation, and this issue led to a heated debate. Large sections of the French workers understand today that the trade unions in the USSR and countries under Soviet control are not free and independent, and that the free sections of the Trade Union Movement must oppose all forms of totalitarianism. A majority of the Congress favoured affiliation to the World Federation of Trade Unions, but others objected on the grounds of communist domination. They viewed it as illogical to leave the CGT because it had proved impossible to work with the communists only to join up with communists on a world scale. In the end it was decided by a substantial majority to apply for affiliation to the WFTU (the vote was 12,380 in favour and 3,682 against—the smallest majority of the Congress, incidentally), the main argument being that since the British, American, Belgian and other Unions were in the WFTU, Force Ouvriere should act in solidarity with them. Jouhaux in his speech to the Congress pointed out the importance of affiliation to

the WFTU, and stated that only if war should prove imminent would the question of non-affiliation arise.

On organisation matters it was decided that Congress should elect a National Council which should elect a national executive committee of 35 as well as the officers of Force Ouvriere. Some favoured limiting the holding of office to six years, but this suggestion was finally defeated, and a resolution passed permitting all members to be re-elected.

Most of the time of the Congress was taken up by the discussions on the basic Charter and on organisational matters, and there was little time left over for policy discussions. Leon Jouhaux made a one-hour speech in which he stressed the importance of liberty (in contrast to communist conceptions), the need to abolish economic misery and within that setting the importance of Marshall Aid, the economic reconstruction of Europe as a condition of peace on that continent and, as a corollary, the international control, of the heavy industries of the Ruhr, and finally the destruction of the last remnants of fascism. With regard to the international scene he spoke of the need to diminish the mutual fears of USA and the USSR, and with regard to France he spoke of the urgency to increase the spending power of the working class by means of a downward price policy.

Jouhaux enjoys universal esteem, and his speech ended amidst deafening applause. The general tenor of his remarks met with almost unanimous approval. He was offered the general secretaryship of Force Ouvriere, but declined and was elected President.

Force Ouvriere has created a basis and a leadership. There will be social conflicts in plenty in the coming months in France. This period will be a test as to how far the new movement possesses in addition the power and ability to act in unity and strength. This newly formed labour organisation has formed its own defence

committees in case violence once more threatens them in the trade union world.

VI. GERMANY

The answer to the question as to whether the British, French and Americans can remain in Berlin will decisively determine Berlin's future. This applies with equal force to Berlin trade unionism as to all other problems. Nevertheless, short of a final break between the Russians and the Western Allies in Berlin, the people of Berlin have the possibility of demonstrating clearly where they stand and working to defend their free institutions. This is the general frame-work within which the trade union struggle of today is being conducted. Expressed in its practical trade union terms the issue at stake is whether the Russian-cum-communist controlled Socialist Unity Party (SED) can continue to dominate the trade unions and use them as an instrument of Russian policy in Berlin and indeed in Germany as a whole.

The so-called "Free Trade Unions" (FDGB) were set up in May, 1945 by order of Marshal Shukov. They were created from above—in contrast to the position in the British Zone where local trade unions were initially formed and then amalgamated in an attempt to promote the growth of a genuine trade union movement from below.

A committee of eight was set up composed of three communists, three social-democrats and two christian democrats—it was hoped that a unified trade union movement would develop, avoiding the splits of the past which had weakened trade unionism on the Continent—but under Russian influence and with Russian support the communist element became dominant. It should not be forgotten that during this period the Russians were the only Allied Power in Berlin. Thus the Western Allies on their arrival were faced with a *fait accompli*; the trade union movement in the Russian Zone and in Berlin was substantially under the control of communists. A

highly centralised organisation had been created, one, therefore, which was particularly amenable to communist control. Then came the period of fusion (between the Communists and some sections of the Social-Democrats) which led to the birth of the SED; the Russians used every form of deception and compulsion to gain this particular end. After fusion (the SED was created in the Russian Zone and in Berlin) the SPD ceased to exist in the Russian Zone and entered upon a difficult period of existence in Eastern Berlin itself.

The control of the Communists became so extensive that the FDGB could no longer be regarded as anything other than the industrial arm of the SED and the pliable tool of the Russian Occupation Forces. The SED was not only dominant at trade union headquarters (which, incidentally, is situated in the Russian sector of Berlin) but practically all full time trade union officials were members of the SED (out of 1,200 paid officials 1,100 belong to the SED). Not only that, the SED also controls the Executive Committee of many unions as well as their district committee. To what degree Russian patronage and Russian intimidation of non-communists has achieved this result for the SED it is difficult to put in statistical form, but this was certainly a decisive factor. The Russians as Occupying Power gave the official communist leadership supplies *ad lib* (cars, petrol, finance, paper, food for free meals, textiles, spirits) as well as their "moral support" against which non-communist trade unionists had no power to compete.

In this situation the issue of elections gained special significance, for by electing non-collaborating officials the trade unionists of Berlin could demonstrate their dissatisfaction with controlled unions and with communist leadership altogether. The trade union masses were powerless to change the administrative machine, but as regards the elected delegates they still had the possibility to make their weight felt. The chance led to the forma-

tion of an organisation which later became known as the Independent Trade Union Opposition (UGO). UGO was initially started with SPD backing. In 1947 its success was moderate in the elections: approximately 17 per cent. of the delegates to the Berlin City Conference of Trade Unions belonged to UGO. This meant that on all issues they could be completely outvoted. Part of the reason for this result was that the resources at their disposal were extremely limited, whilst those at the command of the official leadership were lavish. The official leadership had a daily trade union paper whilst the Opposition had no trade unions press whatsoever through which they could affect trade union opinion. Secondly, the leadership devised an electoral procedure which sustained the monopoly position of the SED in the unions. In addition, the campaign of the Opposition was deficient in many ways, part of the problem being that UGO was too exclusively allied with the SPD and so did not attract to it many of the elements which in any case were strongly opposed to communist domination.

After the 1947 elections the Opposition movement developed in earnest and broadened its appeal and base. Although it remained predominantly under Socialist leadership it brought within its ranks Christian trade unionist, who politically constituted the left-wing of the Christian Democratic Union (CDU), as well as non-party trade unionists, in fact all the important elements who were striving to create a unified and independent trade union movement. Dissatisfaction with communist leadership grew, first because the official leadership were more concerned with political issues (such as propagating opposition to the Western Powers and to Marshall Aid) than with the economic struggles of the workers, and secondly because there had come into existence a resolute organisation through which discontent could be canalised. Finally, all the petty bribes which because of Russian patronage the communist leadership could

offer to their actual or potential supporters in the Unions could not disguise the fact that a vicious dismantling scheme and Russian economic policy in general was denuding the Russian Zone of its economic resources. Thus the Opposition movement in Berlin became the spokesman not only of the trade unionists in Berlin but also of thousands of trade unionists in the Russian Zone who possessed little freedom to settle their own fate or voice any criticism. Several unions came under UGO influence and UGO factions developed in other unions and came to control trade union positions in some of the largest factories. Thus though UGO had no funds, no newspaper, no active Military Government support and no powerful organisational machinery, its growth was so spectacular that the SED began to realise that a threat to their power in the trade union field was developing. Collaboration with the Russians brought with it material advantages, it is true, but it also thoroughly discredited the SED so that they came to be regarded as enemies of the Berlin people.

In January the FDGB Board announced that from February to April delegates were to be elected to the Berlin City Conference of trade unions which would meet towards the end of May. The opposition were powerless to influence the election procedure, because their position had been determined by the 1947 election results, and the attempt of the British Military Authorities to table amendments so as to secure a fair election were brought to nought because discussion of the subject was vetoed by the Russians at the Kommandatura level. UGO now had obtained a licence and a limited supply of paper from the Americans to enable them to launch two publications, and were viciously denounced by the SED as "splitters" and tools of American Imperialism. The first issues of these publications to reach Russian-controlled territory were confiscated, and later issues were not allowed to be sold there. In the Russian sector, election meetings took place under conditions of pressure and intimidation.

all meetings that were allowed being attended by Soviet officers. In the Kommandatura the Russians had vetoed British intervention on the grounds that what happened in the Unions was an internal matter and the concern only of trade unionists. When the elections came, however, Russian officers played a very active part wherever they had the power to do so, and many were the trade unionists who were interrogated and under threats, told to lay down their candidature. Unions under UGO influence had their newspapers confiscated; all trade union newspapers are subject to censorship by the Russians in so far as their sector and Zone are concerned, articles and material being regularly deleted. The Russians also issued instructions banning certain trade union speakers within their sector.

The election results showed that in the non-Russian sectors of Berlin the vast majority of trade unionists gave support to UGO despite communist control of the official trade union FDGB machinery and in spite of the fact that in almost three hundred election units UGO could not put up their own candidate. Seventy per cent. of the votes in three Western Sectors were for UGO. In the Russian sector SED control over the district committees could not be shaken. Only two unions (the clerks and the technicians) had some success.

But still another procedure was adopted to curtail the influence of UGO. The FDGB had set up a Central Election Commission which was empowered to consider claims with regard to irregularities at election meetings and suggest action in accordance with its own findings. This Commission used its powers in a one-sided fashion to weaken the position of UGO. The slightest violation of election procedure—or the slightest excuse for asserting such violation—led to delegates being disqualified.

Many of UGO's supporters earnestly desire to see a united trade union movement functioning. Others have lost faith that they can capture the machine from

the communist as long as the SED enjoys so much support from the Russians, and they are convinced that united trade unionism in Berlin is only possible under conditions which make UGO the tool of the SED and the Russians. Russia's policy of working for the unconditional surrender of the Berlin people by cutting off food supplies, electric current, etc. which can only reduce Berlin to economic chaos if it continues, has finally divided the trade union movement as never before, and it looks as though the schism is final.

Whatever the outcome of this struggle between Russia and the SED on the one side and the Western Powers and all other parties on the other, the bravery which the German socialists and trade unionists in Berlin have demonstrated, day after day for months on end, is an event which belongs to the annals of history. These men and women are fully conscious what their fate will be should the Russians win this battle of Berlin—which is so heavily weighted in their favour.

Yet they have held firm and fought hard all along the line. And this applies with particular emphasis to those hundreds of people who within the Russian sector, under the very nose of the Russian military and police forces, have had the courage to organise and attend meetings of protest against the barbaric behaviour of the Russians and their communist yes-men. The cry has gone out to UNO and the world: Save Berlin. In Western Germany the Socialists are organising help in so far as food is concerned. Their party has called on its members to donate one day's food a week for Berlin, despite the meagreness of the rations in the West. It is to be hoped that the whole international Socialist and Labour Movement will join the German Socialists in the campaign to render immediate aid and to develop a world protest against two million people being made the victims of the power political struggles of a totalitarian enemy of freedom.

VII. RUSSIA

Trade unions in all countries first came into existence as a weapon of the wage earners in their fight against the employers for higher wages, lower hours and better conditions of work. In every capitalist country these remain the fundamental tasks of trade unions, though in addition they often undertake such further responsibilities as welfare and benevolent funds for their members, provision of clubs and sport facilities and, as in certain capitalist countries during the Second World War, may even play an active part in the developing of production if the extension of production is considered to be essential in the interests of the wage earners themselves.

But capitalism provides no permanent prosperity for the working class. Capitalism has never yet been able to abolish unemployment. And so long as they are haunted by the spectre of unemployment, the workers will never throw themselves heart and soul into the development of production. That is why, under capitalism, it was only during the exceptional situation created in certain democratic countries when their capitalist governments took part in a world wide anti-fascist war that the workers through their trade union organisations began to play some active part in the development of production under capitalism.

Once, however, the State itself is based on the organisations of the working class (as in Russia since 1917 and to a growing extent today in the countries of Eastern Europe and in liberated China) entirely new problems arise for the trade unions, and old problems arising out of the conflict of interests with private employers cease to exist. This can perhaps be best demonstrated by the development of trade unionism in the USSR from 1917.

In Tsarist Russia, trade unionism was more or less illegal. So afraid, indeed, were the employers of any sort of organisation among the workers that there were even cases of football clubs being prohibited because they

would bring the workers together where they could discuss in groups.

In 1917 the Soviet Government was formed, based on the organisations of the workers and peasants. This State was the first State in history to side with the trade unions against the employers. It introduced progressive labour legislation such as the trade unions of the capitalist world are still demanding; the eight-hour day, two weeks paid annual holiday, equal pay for equal work as between men and women and old and young workers, and so on. Until the late '20s there were still a number of capitalist firms in the USSR, but in disputes between unions and employers the State authorities sided with the workers (whereas, in capitalist countries, it is the universal rule that the state sides with employers against strikers).

Large-scale industry was nationalised within the first weeks of the Revolution. In nationalised industry wages were fixed by collective bargaining between the appropriate union and the state organisation operating the industry concerned. At the same time it was laid down by law that trade unions should have the right to an office and to hold meetings at the place of work. A certain measure of workers' control in industry was introduced. When new managers were required the trade unions were called upon to nominate candidates. And as a result, over a period of some twenty years the whole managerial personnel of Soviet industry has reached the point where it had been drawn from the ranks of the workers themselves.

As a result of Soviet planning unemployment was eliminated in 1931, never to return. This meant that for the first time in history, including the history of the USSR itself, workers could go ahead and increase production without ever having the fear of a slump, a crisis, or even individual unemployment (other than a possible gap of few days when moving from one job to another).

Whereas under capitalism, a rise in wages in any particular industry can be obtained at the expense of the

employers' profits, in the USSR—or in any country once the major part of industry is nationalised—any wage increase in nationalised industry not accompanied by a similar increase in production can only be obtained out of the State budget, i.e., at the expense of the community as a whole. It is this basic difference between socialism and capitalism which led to basic changes in the functions of trade unions in the USSR especially after the introduction of the first Five Year Plan.

Today in the USSR the trade unions still play an important part in the fixing of wages. Lists of wage rates for each operation in every factory and industry are revised once a year at least, when the new collective agreement is drawn up between the trade unions and the employing organization. As every union is an industrial union and all workers in the same industry are in the same union, the collective agreement covers the wage rates of all employees including the skilled workers in the industry itself, the electricians or labourers attached to it, and even the cooks in the canteens and nurses in the factory kindergartens.

Throughout industry piecework operates on a bonus system which is highly favourable to the worker. For example a recent delegation to the USSR from the Amalgamated Engineering Union in Britain gave in its report examples of how these piece rates work. If, say, the norm set for a job is the production of ten units per day the engineering worker receives one rouble per unit up to fulfilment of this norm. But the first additional unit produced brings him 1 rouble 35 kopeks, the first two above the norm bring in 3 roubles 50 kopeks, the first three bring in 7 roubles 50 kopeks and so on. They give one, examples of 'hot' work in which, for the norm of ten units, the worker gets ten roubles, but if he produces 14 units, i.e. 40 per cent. above the norm, his wages go up to 22 roubles, i.e. 220 per cent., above the norm. From these figures it is clear how Stakhanovite workers in the USSR (setting an example in individual

mastery of technique) can receive what are, to workers in capitalist countries, "fabulous" wages. It is also clear that the trade unions, having nothing to fear from the rising standard of living to which increased production gives rise, encourage piece rates and support the idea of very substantial bonuses to the better or more energetic workers.

An underlying principle of Soviet economics is that only increased output can lead to increased wages and lower prices, therefore increasing output is, without question or exception, in the interests of workers themselves.

Apart from wages and hours, the collective agreements between trade unions and employing organisations in the USSR cover such matters as safety precautions, housing, clubs, and other leisure-time benefits for the workers, and the contribution of the workers themselves towards solving production problems. The unions themselves have got, in every factory or enterprise, their own elected committee to deal with such special subjects as wage rates, labour protection, housing, education and recreation, and social insurance. Unlike capitalist countries, the Soviet state has nothing to fear from the workers controlling their own affairs as much as possible, and as a result the whole job of factory inspection in the USSR is today in the hands of the trade unions whose elected representatives have power to compel employing organisations to undertake the necessary safety precautions, health provisions, etc. Thus what is done in Britain by a state factory inspector paying an occasional visit to a factory or enterprise is done in the USSR by elected inspectors on the spot, workers themselves elected by their fellow trade unionists for the specific job.

Social insurance in the USSR is today also administered by the trade unions, but the funds come entirely from the employing organisations, which are compelled by law to pay sums varying from 5 to 10 per cent. in addition to their total wages bill as a contribution to the

Social Insurance Fund. The actual rate varies from industry to industry, according to scales worked out jointly by the Government and the union concerned. Thus, in mining, where risks are comparatively high, an additional 10 per cent. on wages must be paid by the employing organisations into the social insurance fund which is then administered by the unions. In some light trades and professions, where risks are small, the contribution may be as low as 5 per cent. of the wages bill. Out of these social insurance funds the following benefits are paid: sickness, invalid and old age pensions, accident and disablement benefit, orphans' pensions, and burial allowances. As to maternity benefit and family allowances, the funds are paid out of the State budget.

The unions also devote a considerable part of their social insurance funds for the provision to their members for holidays or sojourns in sanatoria or rest homes either free or at very much below cost. At the same time the trade unions today control the main tourist organisation in the USSR which was originally founded as the Society for Proletarian Touris and Excursions and is now operated entirely by the unions.

Trade unions also are responsible for the running of clubs and sports organisations, for which a great part of the funds comes from the State and local budgets as well as from the employing organisations, so that the worker's personal subscription through his union is very small in relation to the facilities which he enjoys. The recent delegation of British engineers in their report describes, for example, the Palace of Culture attached to the Stalin Automobile Plant in Moscow, which they refer to as "a very big building with splendid interior decorations and fitting. One can get some idea of its size from the fact that, in addition to dozens of large rooms it has a dance hall for 2,000; a cinema seating 1,200; a concert hall seating 400; a gymnasium; a library of 65,000 books, a children's library of 20,000, and a Lenin reading

library of 50,000 books where workers can sit and study the political classics in comfort and silence.

"In many of the rooms," they say, "groups of workers were pursuing their particular interests—painting was going on in the studio, singing and dramatic art in the schools for classical dancing. In the children's rooms we saw astonishing wood carvings and water-colour paintings done by children of from eight to fourteen years of age. In the singing room workers were receiving voice-training from one of the leading singers of the Moscow Opera House."

Already the Soviet Union, despite the appalling devastation of the war, has restored the pre-war level of production. Every trade unionist knows—and there are 27 million of them—that if only peace can be preserved the standard of life of the whole people will steadily go up and with the fulfilment of the present (Fourth) and future Five year Plans, themselves drawn up in the closest consultation with the trade unions at all levels. For this reason we can rely on the people of the Soviet Union to work both for trade union unity and lasting peace and co-operation between the nations of the world. The personal interests of every Soviet citizen and trade unionist are bound up with the preservation of peace, for this means a perpetually rising standard of life for the Soviet people.

After the publication of the results of the 5-year plan for the period 1947 the syndicates and governing bodies of Soviet enterprises were called upon to formulate and sign annual Collective Contracts to govern in 1947 the progress of all industries, transport systems and building programmes in the U.S.S.R.

The principal aim of collective contracts in the U.S.S.R. is to help execute the five-year plan. This clearly and radically distinguishes the collective contracts in the Soviet Union from collective contracts that are put into effect under unplanned economics based on private ownership. The instruments used by the state may be the same

in both cases but in point of contents and significance the Soviet collective contract is different. The preamble to the published text of collective contract is significant: "The collective contracts have been concluded in order to achieve and even surpass the target production figures fixed by the 5-year plan and to develop production to the maximum, to ameliorate working conditions; and to increase the responsibility vested in professional organisations. . . ." It is further laid down in the text of the directive on the collective contracts and in the instructions passed to the signatory bodies that "the collective contract is drawn up in accordance with the stipulations of the Plan for the period 1947 and in consonance with its terms. Each establishment (industrial unit) ought to receive the details of the plan in the manner in which it is to be executed in so far as it relates to the unit: in regard to output (measured in actuals or as a percentage of the preceding year's figures); in regard to productivity of labour; to salaries; costs, budgeted expenditure; for housing, well-being and cultural advancement of labour and equally in regard to the steps to be taken for ensuring the security of workers."

The Collective Contract in the USSR is an instrument of production and of efficiency. Hence the care bestowed on its scrutiny; every change suggested by a worker or an employee is first of all studied in the factory, is then submitted to the General Assembly of Workers and employees or where the vastness of a trade does not permit of such a step, to a conference of delegates from each committee of professional syndicates. The modifications and amendments are all thus discussed initially by an assembly and later by the respective trade as a whole; after decisions are taken at these meetings of General Assembly or Conference, the collective contract is finalised by authority and is signed.

Simultaneously registration takes place with the Supreme Advisory Body of the Professional Syndicates and

the competent ministry, a dual guarantee, after which the text is returned in duplicate to the factory where one of the copies is passed to the Committee of the Works and the other is kept with the executive.

The widest and complete dissemination of the contents of the documents is ensured within the organisation: posters, printed copies to the extent possible, individual distribution, etc.

The entire gamut of obligations is brought home to the signatories by associating various Commissions of the Committee of the Works in the work of detailing the text. The Commission on wages, for example, is directed to participate in the discussions relating to technical organisation of labour, and the commission on labour security has to take part in matters relating to betterment of working conditions.

Diverse points are dealt in one or more articles of the collective contract: the text of the directive is divided into chapters in respect of each of the problems dealt with. "Productivity of labour," "Wage and Systematisation of output," "Classification (grading) of workmen, engineers and technicians," "enforcement of discipline in work," "workers' security and evolution of its technique," "equipment for workmen and its replenishment," "cultural and other general utility services."

It is not merely a question of regulating the link between an administration (employers—we might say) and a syndicate or a union of syndicates, rather, the move is to define the respective duties of a Governing Body and of the professional syndicate and atune them to the objective of the plan as a whole.

This is all the more evident from the chapter on instructions regarding sanctions provided to deal with violation of the collective contract. In other countries such sanctions should emanate from tribunals with civil jurisdiction or from Arbitration Councils.

In the USSR the Administrative Tribunal is the competent body to deal with simple cases of infringement; but every 'bad intention' following the violation renders the offender liable for penal action under section 134 of the Soviet Penal Code.

Obviously it is not the domain of any limited group, of a syndicate or of a trade; on the other hand it is the field of action of arrangements envisaged for ensuring a successful prosecution of the plan.

The provisions made in regard to the settlement of conflicts likely to arise among signatories over the detailing of the collective contracts also exhibit a similar thoroughness: the local organisations, committee of the union of the syndicates and the high level administrative authority are empowered to and should decide in 'three days' the point or points of contention. In case of dissents the dispute is cut short (settled) by the authorities which register the collective contract, central committee of the syndicates and the competent ministries.

The importance attached to the obligations devolving on the syndicates in respect of output should be particularly noted—they (the syndicates) "bind themselves" to bring to the 'socialist fold' every worker, technician, engineer and employee; to regularise by frequent checks the observance of the minimal norms; assist backward workmen in increasing their outturn; to better technical skill where insufficient, and to lay down suitable norms. The administrative body of the institution in its turn undertakes to modernise and to perfect technical equipment, machinery, installations, power, etc., . . . and further to do research towards the most rational employment of the existing means of production. The Factory Committee contracts to work in collaboration with the governing body in detailing the organisational plans, to convene periodically its members for examination of the statements of accounts and balance sheet and to check production figures.

Rationalization and innovations are both mutually obligatory on the signatories of the collective contracts. Equally emphatic on details is the treatment of fixation of wages: the norms which go into the collective contracts are fixed beforehand, minimal norms as also allowances (bonus, etc.), based on output, in a fixed scale; piece wages with a minimum of production stipulated etc. The syndicates undertake to exercise periodical and systematic control over the returns to workers of corresponding primary articles; over the correctness of all calculations; the total of stoppages made. The administration stipulates in the collective contract the periodicity in regard to payment of wages. The syndicates are bound to watch that no unrecognised system of wages creeps into the collective contract and contrarywise to have surveillance over a rigid application of limits included in the scales of qualification in each profession, trade and area.

An important preoccupation of the USSR is the fixation of cadres: the text governing the collective contract shows it. The Administrative contracts (in the collective contract itself) to improve the technical knowledge of workmen in order to raise their qualification and to bring about conditions favourable to their reaching a superior technical level. The libraries of the factories shall be replenished with technical books and conditions favourable to the education of technicians, employees and workers desirous of perfecting their skill shall be brought about; the administration shall to this end even obtain the loan of technicians and specialists from similar or nearby works. The syndicates and committees on their part shall regularly arrange in their clubs and works, meetings, discussions, cinematograph projections and consultations with 'stakhanoviens' of other similar or connected enterprises and in all possible manner assist in the technical advancement of their members.

A particularly striking paragraph exemplifying the general subservience to the Plan is that on 'discipline in

work,' a text that has to be incorporable in every Collective Contract; "In every collective contract shall be embodied the obligation on the part of the administration of the works to bring to the knowledge of every worker or employee the codes of the intramural regulations of the works decided and fixed in consultation with the syndicate; The committee of works shall do intensive propaganda and shall strenuously work among the labourers and employees for the enforcement of discipline in duty, for teaching them the high significance of their responsibility towards the perfect discharge of the work entrusted to them; the committee of works shall help to its utmost the governing-body in ensuring discipline in work, proper attendance, control measures..."

The Collective Contract also contains stipulations regarding hygiene and security of workers, so that necessary precautions be taken to prevent fires, accidents and also delays in work: this section shall detail the obligations in respect of special equipment (boots, sabots, aprons, special soaps, detergents) and the periodicity of their distribution, the *bona fides* of which the committee of the works as well as the governing body shall supervise; the syndicates themselves in such cases undertake obligations of this nature.

The collective contract shall also show the welfare budget towards housing, well being, etc., of the personnel, the amounts allotted are to be spent to create conditions less burdensome for existence and to provide replenishments, workers' gardens, canteens, dormitories, etc.... co-operative forms of production and sale evolve themselves in organisations worked on these lines.

Finally, several sections of the collective contract is devoted to the study of problems of organisation of 'cultural and general utility service.' Concrete duties in this respect shall be entered in the collective contract: entertainment and assistance to clubs, other places of recrea-

tion called 'red corners,' gardens for children, stadia, playgrounds, physical culture kits, etc.

Establishment and development of health institutions, hospitals, sanatoria, maternity homes, clinics, child welfare and maternity centres, etc., are all well defined duties of the administration and the committee.

Provision of heating arrangements for cultural organisations, children's gardens, schools are also provided for in the collective contract.

The committees of the factories approve to the collective contract an inventory of assets it shall have for meeting cultural needs and for general utility. They undertake also to supervise the work of political and cultural education of the masses, and to ensure a social service for workers and employees and their families.

The Russian collective contract is thus a kind of work chart, annual chart, specialised and differentiated by factory, which serves as the complement, the corollary of a fraction of the 5-Year plan in so far as it pertains to a given production unit. It is not a conglomeration of claim of workers (although in parts it can play that role as well in so far as professional syndicates and their unions are concerned). But on the whole, in its significance and its means and ends, in its letter and spirit, the collective contract is the infallible document fixing the best means of executing the 5-Year plan, in practice modulating unit by unit the path towards its effective culmination.

The collective convention in USSR is simultaneously a derivative and an integral part of every period of the 5-Year plan.

VII. LATIN AMERICA

One English word has penetrated to the remotest corners of Latin America where even Spanish is not often understood. The indigenous people know the term "leader" and are constrained to use it frequently rather with apprehension and pretty deceptively. In the cities

workers commonly speak of "leaders" too, although they articulate it as "leader."

The South American "leader" is one who, when he orders a strike is implicitly obeyed as also when he orders resumption of work. The "leader" draws a fat pay, lives isolated from the midst of the working class and the peasants, and knows that the Government replenishes the coffers that give him his pay; all because he has never succeeded in obtaining for "his" workers wages enough to support their trade unions.

The "leader" in South America is often a legal practitioner, or a non-professional. He holds despotic sway over his union. He is elected into office by his accomplices, themselves bureaucrats. And whenever words are of no avail in drawing the workers his way, the "leader" does not hesitate to have recourse to the potency of gangsterism.

Trade unionism has been developing and gathering force in Latin America for over three decades now. Workers cannot in practice, secure jobs unless they are members of a trade union in any industry. The workers vote according to the wishes of their "leader"—who does not forget to make the best use of their votes—but they neither take part nor interest themselves in the conduct of "their" unions. Had they the choice, had the laws and the government—be they rightist or leftist—not compelled them to stay within the trade unions, the workers would have readily left such bodies.

Despite trade unionism, the standard of life of the South American industrial worker or peasant has hardly improved. This is true equally of countries with a majority of indigenous population (where trade unions are of more recent inception) and of those like Argentina, Uruguay and Chile, where the people are largely immigrant settlers. The trade unions of the latter countries were modelled on those of Europe but dictators and demagogues have completely distorted them.

The South American trade unions have among them roughly some six to seven million members. But the working class is so weak, its political development arrested and personalism so potent that there is no chance for any amelioration of the existing conditions in the near future.

Venality not only flourishes in Latin America at the expense of the workers' interest, but it alienates labour and the lower middle-class from all political consciousness or initiative and from socialistic ideologies. And where gangster methods most predominate trade union politics, liberal forces of the Left are the weakest.

The Spanish conquerors of old who exploited the Indians, has been replaced by the new bourgeoisie, the most astute individuals of which become trade union "leaders." This fact is seldom expressed by anyone, and is not even understood by the leaders of the two U.S. labour organisations (the AFL and the CIO) which have lately evinced interest in the Latin American trade union movement. All the same, the future of the workers' movement in all the 20 countries of South America is entirely based on the realisation of this fact.

The third conference of the C.T.A.L. (Latin American Workers' Confederation), which is affiliated to the World Federation of Trade Unions, was recently held in Mexico. M. Lombardo Toledano is the Secretary General of this body. Mr. Knight, a delegate from the U.S. Congress of Industrial Organisations, addressed this conference, which severely criticized the Marshall ERP. The conference marked the first manifestation of the CIO's interest in workers south of Rio Bravo.

But as long as the tenor of trade unionism does not change in Latin America to become an honest, combative and really independent force, neither the workers of that continent nor those of the U.S.A. will derive out of it any benefit worth the name. They will continue to be ignorant of themselves and it will not be surprising if the dictators' henchmen successfully retain their influence.

For although not particularly reputed for honesty and uprightness, the "leaders" show a versimilitude of those qualities when their governments order them—which by the way is not often.

The Latin American worker and peasant are terribly backward and often illiterate, are dominated by the most reactionary church in the world and are accustomed to centuries of submission. Trade unionism is perhaps the only means of reaching them and shaking off their secular apathy. That however is possible if only the trade unions merit the name and are not mere private enterprises of "leaders." The latter unfortunately is the case all over the continent except relatively in Mexico and in Chile.

VIII. INTERNATIONAL

Prior to the Rome meeting of the World Federation of Trade Unions (WFTU) thousands of people were putting the question whether this world organisation of trade unionists would suffer the fate of most other international bodies, and be torn asunder because of the divisions between Russia and the West. At the previous meeting of the Executive Committee in Paris in November, 1947, James Carey of the American CIO had made a statement in favour of American support for European recovery and challenging the conception that Marshall Aid was none other than a "Wall Street Plot" to dominate Europe and finally the world. The pro-Communist and pro-Russian representatives (Saillant of France, Di Vittorio of Italy and Faline of the USSR) opposed the idea of Carey being heard, but were outvoted by trade union representatives from the USA, Great Britain, France and China (Rosenblum, Deakin, Jouhaux and Chu Fan). Discussion on his statement was postponed until the February meeting of the Executive. To avoid discussion of the problem no February meeting took place by arbitrary decision of the General Secretary, Saillant. Early this year Arthur Deakin (President of the WFTU) announced that unless the Conference was called in ac-

cordance with Executive decision, the British TUC would go forward with their own plan to organise a Conference of trade union centres belonging to the countries which were the recipients in Europe of Marshall Aid, and to which both CIO and AF of L representatives from America would be invited. This in the meantime has been done, and an International Trade Union Centre outside the framework of the WFTU has been set up to deal with trade union problems arising out of the European Recovery Plan. During the same period the Russian Unions had made it known that they were resolved to support the work of the Cominform and the attack upon Marshall Aid. Thus a clash of purpose came to exist which threatened to make any organised unity on a world scale impossible, and many people thought that the newly created international centre would provide the nucleus of a new international of trade unions that were free from state control, once the break came.

At the Rome meeting of the WFTU the subject of Marshall Aid did not figure at all on the agenda. A compromise formula was adopted which in effect allowed each national trade union centre to go its own way in this matter.

It was not, however, with regard to this problem of Marshall Aid that the Rome meeting promised to be stormy. Many other grievances were voiced about the way of the WFTU was being conducted, and it was asserted that the organization was being run inefficiently and in a partisan spirit, with a definitive bias in favour of the communist-dominated unions. One of the first issues that came up for discussion was the May Day manifesto which the General Secretary had prepared and issued in the name of the WFTU without either the President of the Federation or any member of the Executive Committee having seen it. The manifesto was intended for dispatch to all trade union centres throughout the world.

Some of the Western Unions complained that certain parts slandering America and giving the worst possible interpretation of Marshall Aid, were a reflection upon a large number of trade union centres whose interpretation was different and whose practical trade union attitude was one of accepting aid in general but opposing any kind of political "strings," should America try to exploit the situation for illegitimate ends. Secondly, they objected to the bias in other sections which implied that Britain and America were rearming for joint aggression against Russia, and that indeed throughout the war Germany and Japan were not the only military objectives of American and British might. The result of this protest was that the Manifesto was finally withdrawn. In the meantime it had been circulated to the Italian press and printed in the fortnightly *Information Bulletin* of the WFTU (issue dated 30th April).

The point was further made that the Federation would never be conducted properly so long as the General Secretary had to cope with the Secretaryship of the French CGT as well. This led to his resignation from the French post, and he promised to produce a better *Bulletin* and refrain from dispatching official statements without Executive sanction.

Thus the Executive committee unanimously supported the following decisions on policy and administration:

(1) That any national centre has the right to submit any question it so desires for inclusion on the agenda. The Executive Bureau shall consider any matter on receipt of advance notice given in writing by the national centre concerned.

(2) That there be regular quarterly meetings of the Executive Bureau. The dates shall be fixed after consultation between the President and the General Secretary subject to the convenience of members of the Executive Bureau.

(3) The General Secretary and Departmental Heads shall not engage in any other work, except with the expressed approval of the Executive Bureau.

(4) The organs of the WFTU shall not be used to publish or circulate attacks on the policies or administration of national centres affiliated to the WFTU. This does not prevent the publication of objective statements of policy of any national centre.

(5) For the purpose of dealing with the publications of the WFTU there shall be an editorial board, which shall consist of the General Secretary, and the three Assistant General Secretaries.

(6) In the event of a question arising, which vitally affects the interests of one or more national centres, on which there is no accepted directly applicable decision, the matter shall be discussed by the General Secretary and the Assistant General Secretaries. If agreement cannot be reached no action shall be taken until the matter has been considered by the Executive Bureau.

(7) Measures will be taken to hold meetings of the consultative commissions of the Trade Departments of the WFTU as soon as possible.

In the preamble to this seven-point formula it is reaffirmed that no centre shall seek to dominate the affairs of the WFTU.

Several points involving a sharper difference of outlook had to be left over for future treatment. The problem of the independent Trade Secretariats and the failure to find an acceptable formula for their incorporation in the WFTU was postponed. The question as to whether or not the non-Communist Force Ouvriere CGT shall be permitted to affiliate to the WFTU remained unresolved, though it was agreed that in the meantime the *status quo* should prevail. This latter statement refers to the position whereby Leon Jouhaux is Vice-President of the World Federation, where he was put to represent the CGT of France. In the meantime he has left that body to asso-

ciate himself with the Force Ouvriere CGT, whilst the communist-dominated CGT appointed another delegate in his place. It seems that the Communist elements have agreed to his returning to his WFTU post until a final settlement of the Force Ouvriere dilemma has been made.

The problem of German unity was also discussed and a compromise resolution went through. In essence it leaves the initiative to the German trade unionists and accepts the viewpoint that there is little the Federation can do at the present juncture to further the cause of trade union unity within Germany. At the same time a decision was taken to set up a co-ordinating committee in Berlin with trade union representatives from all zones on it, though it was laid down that no all-German Conference should be called by the Federation.

The subjects of equal pay and the attacks on trade unionism in India were also discussed. On the latter point, according to press reports, Vic Ramansinghe (officiating for S. A. Dange) used the occasion for a general propogandist speech on Communist lines and on behalf of the All-India TUC. Although he indicted the Indian Government he managed to get over the idea that in reality it was the British Government, the British TUC and the Americans who were responsible for the reactionary attack upon trade unionism in India today.

APPENDIX

Factory employment in 1946 (in regions known as British India prior to August 15, 1947, excluding Punjab and N. W. F. P.)

	Average Daily Number of Workers Employed			Percentage increase (+) or decrease (-) over	
	1946	1945	1939	1945	1939
Madras.....	2,62,292	2,79,176	1,97,266	- 6.0	+ 33.0
Bombay.....	6,83,517	7,35,774	4,66,040	- 7.1	+ 46.7
Sind.....	38,868	40,157	24,995	- 3.2	+ 55.5
Bengal.....	7,05,777	7,44,518	5,71,539	- 5.2	+ 23.5
U. P.....	2,57,140	2,76,468	1,59,738	- 7.0	+ 61.0
Bihar.....	1,38,990	1,68,408	95,988	- 17.5	+ 44.8
Orissa.....	7,443	7,427	5,371	+ 0.2	+ 38.6
C. P. & Berar.....	1,01,355	1,10,263	64,494	- 8.1	+ 57.2
Assam.....	60,487	58,070	52,003	+ 4.2	+ 16.3
Baluchistan.....	4,144	3,968	2,023	+ 4.4	+ 104.8
Ajmer-Merwara.....	15,789	15,877	13,330	- 0.6	+ 18.4
Delhi.....	33,349	36,870	17,400	- 9.5	+ 91.7
Bangalore & Coorg.....	5,436	5,687	1,380	- 4.4	+ 293.9
Total	23,14,587	2,482,663	1,672,707	- 6.8	+ 38.4

(Indian Labour Gazette, February 1948).

Distribution of Labour in the various categories of Factories. (1946).

	Average daily number of Workers		Percentage increase (+) or decrease (-) in 1946 over 1945
	1946	1945	
GOVERNMENT AND LOCAL FUND FACTORIES			
Perennial	3,04,741	3,92,548	- 22.4
Seasonal	840	760	+ 10.5
Total	3,05,581	3,93,308	- 22.3
ALL OTHER FACTORIES			
Perennial			
All Textiles			
Cotton	9,82,408	9,87,230	- 0.5
Jute	6,29,674	6,42,581	- 2.0
Others	3,13,133	3,03,319	+ 3.2
Engineering	39,601	41,330	- 4.2
Minerals & Metals	2,14,879	2,56,617	- 16.3
Food, Drink & Tobacco	83,708	1,13,735	- 26.4
Chemicals & Dyes	1,50,943	1,46,445	+ 3.1
Paper & Printing	95,983	95,106	+ 0.9
Wood, Stone, & Glass	55,215	53,162	+ 3.9
Gins & Presses	90,731	92,969	- 2.4
Skins & Hides	16,896	16,250	+ 4.0
Miscellaneous	30,395	34,275	- 11.3
Total	36,003	39,509	- 8.9
Seasonal	17,57,161	18,35,398	- 4.3
Food, Drink & Tobacco	1,57,334	1,54,331	+ 1.9
Chemicals & Dyes	2,217	1,971	+ 12.5
Gins & Presses	88,511	93,903	- 5.7
Miscellaneous	3,783	3,852	- 1.8
Total	2,51,845	2,54,057	- 0.9

(Indian Labour Gazette, February 1946)

GROWTH OF TRADE UNIONISM IN BRITISH INDIA
 The growth of trade unionism in British India since 1927-28 shown in the table below:—

Year	No. of registered trade unions	No. of unions which submitted returns under the T.U. Act.	Total membership of the unions shown in column 3.		Average membership per union making returns	Percentage of women members
			Men	Women		
			4	5		
	2	3	Total		7	8
1927-28	29	28	99,451	1,168	3,594	1.2
1928-29	75	65	177,235	3,842	2,786	2.1
1929-30	104	90	239,056	3,299	2,698	1.4
1930-31	119	106	215,964	3,151	2,067	1.4
1931-32	131	121	232,239	3,454	1,948	1.5
1932-33	170	147	232,279	5,090	1,615	2.1
1933-34	191	160	205,072	2,999	1,300	1.4
1934-35	213	183	280,081	4,837	1,557	1.7
1935-36	241	205	261,017	7,309	1,309	2.7
1936-37	271	228	252,022	9,025	1,145	3.5
1937-38	420	343	375,409	14,703	1,137	3.8
1938-39	562	394	388,214	10,945	1,013	2.7
1939-40	667	450	492,526	18,612	1,136	3.6
1940-41	727	483	494,415	19,417	1,064	3.8
1941-42	747	457	556,426	17,094	1,160	3.0
1942-43	693	489	659,327	25,972	1,401	3.8
1943-44	761	563	760,101	20,866	1,387	2.7
1944-45	865	573	853,073	36,315	1,552	4.1
1945-46*	1087	585	825,461	38,570	1,480	4.5
1946-47**	1725	998	1,267,164	64,798	1,335	4.9

* Does not include figures for the Punjab. Relates to 584 unions.

** The figures for 1946-47 relate to the Provinces in the Dominion of India with the exception of East Punjab.
 Note: Provincial Reports on the working of the Indian Trade Unions Act during 1946-47 show a total of 1,725 trade unions on the registers in the Provinces of the Dominion of India excluding East Punjab on 31st March 1947, as against 983 for the same provinces on 31st March 1946. The number of unions on the registers has thus shown a phenomenal increase of about 75.5 per cent. during this period.

TABLE IV

IV. WORKING CLASS COST OF LIVING INDEX NUMBERS IN INDIA
(Base: August 1939 = 100)

	Bombay		Bombay		Shola- pur	Jalgaon	U.P.		Central Prov.		Madras	
	Bombay	Ahmeda- bad	Ahmeda- bad	Bombay			Kanpur	Nagpur	Jubbul- pore	Jubbul- pore	Madras	Madras
1939 (Aug.-Dec.)	103	107	105	105	105	105	104	104	108	106	106	106
1940	107	108	104	109	109	111	110	110	116	116	109	109
1941	118	119	115	123	123	123	119	119	130	130	114	114
1942	150	156	155	180	180	181	165	165	183	183	136	136
1943	219	282	252	284	284	306	299	299	299	299	180	180
1944	226	290	276	295	295	314	267	267	317	317	207	207
1945	224	272	275	291	291	308	259	259	283	283	228	228
1946	246	286	290	326	326	328	285	285	302	302	239	239
1947	265	300	340	369	369	378	300	300	320	320	277	277
1947	265	304	333	369	369	358	319	319	326	326	274	274
June	261	299	340	364	364	401	320	320	326	326	276	276
July	270	322	363	384	384	410	319	319	329	329	276	276
August	285	337	360	391	391	407	330	330	326	326	281	281
Sept.	282	316	359	390	390	420	331	331	335	335	285	285
Oct.	273	316	362	405	405	413	330	330	335	335	291	291
Nov.	271	299	341	392	392	389	330	330	332	332	305	305
Dec.	288	290	330	433	433	405	341	341	339	339	312	312
1948 Jan.	263	293	363	422	422	391	348	348	352	352	308	308
Feb.	270	297	385	414	414	375	353	353	352	352	309	309
Mar.	277	310	386	425	425	379	358	358	356	356	307	307
Apr.	278	327	396	450	450	442	375	375	391	391	311	311
May	292	336	412	465	465	462	379	379	404	404	312	312
June												

1. Original base: Year ending June, 1934.

2. Original base: Year ending July, 1927.

3. Original base: Year ending January, 1928.

4. Original base: Year ending June, 1936.

5. Average for 1940 is based on the figures for the months June to December, 1940. Figures prior to June, 1940 are not available. (from Indian Labour Gazette, Aug. '48).

INDUSTRIAL DISPUTES IN INDIA †

Period to which the figures relate	No. of disputes resulting in stoppages of work	No. of workers involved	No. of man-days lost
1939	406	409,189	4,992,795
1940	322	452,539	7,577,281
1941	359	291,054	3,330,503
1942	694	772,653	5,779,965
1943	716	525,088	2,342,287
1944	658	550,015	3,447,306
1945	820	747,530	4,054,499
1946	1,629	1,961,948	12,717,762
1947	1,811	1,840,784	16,562,666
June	168	153,766	2,135,817
July	160	148,821	929,151
August	160	109,243	664,935
September	179	289,022	1,653,275
October	147	270,622	839,946
November	127	114,951	470,012
December	115	83,040	535,365
1948 January *	169	155,482	858,617
February *	151	128,930	1,256,875
March *	168	142,326	1,593,030
April *	141	69,088	663,550
May *	130	75,342	458,590
June (a)	135	116,757	706,232

† The statistics presented in these tables relate to industrial disputes which have resulted in work-stoppages involving 10 or more workers.

* Revised, yet provisional.

(a) Provisional.

Seventeen stoppages known to have taken place in June 1948 have not been included for want of full details.

(Indian Labour Gazette, August, '48)

**LABOUR BUREAU WORKING COST OF LIVING
INDEX NUMBERS**

(Base : 1944 = 100)

DELHI.

	Food	Fuel and Lighting	House rent	Clothing, Bedding and foot- wear	Miscella- neous	All Items
Weights	60.98	8.84	6.35	10.82	13.01	100.00
1945	103	104	100	99	110	103
1946	108	107	100	100	118	107
1947	124	114	100	111	135	122
1947						
January	115	110	100	109	121	114
February	113	110	100	109	124	113
March	115	113	100	109	124	115
April	116	112	100	111	128	116
May	118	112	100	110	131	117
June	114	112	100	112	135	115
July	122	113	100	112	140	121
August	126	116	100	113	140	124
September	148	117	100	112	141	137
October	132	117	100	112	144	128
November	138	116	100	112	146	132
December	132	117	100	112	146	128
1948						
January	125	130	100	116	143	125
February	116	152	100	141	148	125
March	113	129	100	136	146	120
April	117	159	100	133	145	125
May	127	156	100	179	144	136
June	132	175	100	176	145	141

**LABOUR BUREAU WORKING CLASS COST OF
LIVING INDEX NUMBERS**

(Base: 1944 = 100)

JAMSHEDPUR

	Food	Fuel and Lighting	House rent	Clothing, Bedding, & Footwear	Miscella neous	All Items
Weights	65.76	5.43	4.69	10.16	13.96	100.00
1945	102	100	100	78	106	100
1946	105	106	100	75	109	103
1947	130	120	100	83	129	123
1947						
January	117	118	100	77	114	112
February	116	113	100	77	126	114
March	114	113	100	81	128	112
April	115	117	100	84	127	113
May	122	119	100	74	127	117
June	127	123	100	74	127	120
July	133	125	100	79	129	125
August	135	125	100	77	131	126
September	142	124	100	93	135	133
October	149	122	100	93	138	138
November	145	120	100	88	132	134
December	142	121	100	93	128	132
1948						
January	141	120	100	91	128	131
February	133	136	100	97	127	127
March	130	137	100	152	130	131
April	129	140	100	147	130	130
May	134	145	100	178	131	137
June	139	156	100	144	131	138

(Indian Labour Gazette, Aug. '48).

**LABOUR BUREAU WORKING CLASS COST OF
LIVING INDEX NUMBERS**

(Base: 1944 = 100)

JHARIA

	Food	Fuel and Lighting	Clothing, Bedding, & Footwear	Miscell- aneous	All Items
Weights	77.70	0.47	6.72	15.11	100.00
1945	98	94	81	102	97
1946	128	96	76	108	122
1947	145	104	78	138	139
1947					
January	133	99	73	111	126
February	125	109	79	113	120
March	127	106	81	120	123
April	132	98	80	130	128
May	129	81	80	138	127
June	139	90	78	135	134
July	146	99	76	141	140
August	163	100	76	139	153
September	168	97	75	144	157
October	161	116	72	160	160
November	158	127	80	160	153
December	156	127	87	159	152
1948					
January	151*	131	81	160	148*
February	137	136	98	163	138
March	134	139	134	162	138
April	136	138	139	174	142
May	145	142	147	181	151
June	152	136	132	183	155

* With effect from January 1948, the 'weight' for Rice has been distributed over two varieties—coarse and medium—for working out the index numbers.

