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PREPARATORY ASIATIC REGIONAL CONFERENCE
OF THE INTERNATIONAL LABOUR ORGANISATION

NEW DELHI, 1947

Labour Policy in General including The Enforcement of Labour Measures

Second Item on the Agenda

NEW DELHI
International Labour Office
1947

PREFACE

The agenda of the Preparatory Asiatic Regional Conference was determined by the Governing Body of the International Labour Office at its 98th Session held in Montreal in May 1946. The subject of this Report—Labour Policy in General, including the Enforcement of Labour Measures—is the second item on the agenda.

In drawing up this Report the Office has paid particular attention to two main factors: the importance of agriculture in the economies of Asiatic countries in the Far Eastern region, and the efforts which are at present being made in these countries for economic development with a view to the implementation of a more active and a more progressive social policy than before the war. The general approach is not to deal with the various areas separately, but rather to treat them as parts of a region with more or less similar ways of life and in the same stage of economic evolution. It has been thought that a general survey of this kind, designed to bring out some of the main problems which are common to the Asiatic countries concerned and which call for urgent consideration, is an indispensable preliminary to a more detailed treatment of them subsequently. It is for the present Conference to express its views on the order of priority in which these problems are to be considered with a view to further action.

The first chapter is devoted to a consideration of the conditions of life and work of the primary producer, and it also contains an account of the part played by co-operative organisation in improving his position as well as suggestions as to future possibilities. The second chapter presents an outline of some of the main problems relating to the organisation of employment in modern industrial undertakings. The special problems relating to the employment of children and young persons and of women—categories of workers for whom protective measures are particularly needed in periods of active economic development—are dealt with in Chapters III and IV respectively, while the following chapter contains a survey

of conditions of work in industry in general. Chapter VI discusses problems relating to the organisation of industrial relations. In Chapter VII the enforcement of labour measures, more particularly labour inspection, is considered, and the final chapter contains a brief review of reconstruction planning, especially in China and India, and of the principal questions to be dealt with in the elaboration of labour policy commensurate with the economic development envisaged in the reconstruction plans. Problems of social security have been in the main excluded from the scope of this Report, as this question forms a separate item on the agenda.

Since the draft of this Report was prepared, the Asian Relations Conference, convened by the Indian Council of World Affairs, met in New Delhi in March—April 1947. Representatives from over 25 Asiatic countries were present. The Conference devoted its attention mainly to the consideration of economic, social, and cultural problems common to all Asiatic countries ; among the items on the agenda were agricultural reconstruction and industrial development, and labour problems and social services in Asia. In revising the draft Report, the conclusions of this Conference have been taken into account as far as possible. It should also be mentioned that the Report was communicated in proof to the Governments of Asiatic countries which will be represented at the New Delhi Conference. A mission of officials of the Office also visited several of these countries with a view to having the information contained in the draft verified and amplified through discussion with local officials, in accordance with a proposal made by the Director-General, and approved by the Governing Body, of the International Labour Office. The observations made by the local officials have been taken into account as far as possible in preparing the Report for publication, and the valuable assistance they have given in making the facts and figures mentioned in the Report accurate and up to date is hereby gratefully acknowledged.

The International Labour Office is indebted to the Government of India for the facilities which it provided for the printing of this Report, and to the Manager and staff of the Government of India Press, Simla, for the particular care which they bestowed upon the work.

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CHAPTER I

THE PRIMARY PRODUCER

The Rural Population

Some General Features

As is well known, the great majority of the people in Asiatic countries derive their livelihood from agriculture and allied occupations. Some estimates of the proportion of the rural to the total population can be given, but it should be noted that they are not comparable, in view of the different bases on which they are calculated.

The proportion of the rural to the total population of China has been estimated at somewhere between 71 and 85 per cent. One estimate puts the total farming population at 328,850,000, and during the war years this population was obviously the main source of supply for the armed forces as well as industry. In India, rural areas, or localities with a population not exceeding 5,000 persons, accounted for 87.2 per cent. of the total population in 1941. In Siam, in 1937, 83.4 per cent. of the population were engaged in agriculture and fishery. In Burma, excluding the Shan States and tribal territories, 66.6 per cent. of the gainfully employed population in 1931 were engaged in agriculture; this figure, it should be noted, excludes dependants. The proportions of the rural to the total population in 1931 for Ceylon, Indo-China, and Indonesia[1] were 86.8, 90-95, and 92.5 per cent. respectively. In Korea, where only agglomerations of 10,000 persons or more were reckoned as urban areas, the rural population formed 88.3 per cent. of the total in 1936; and in Malaya[2] (settlements of over 1,000 persons each

[1] The term Indonesia as used in this Report refers, unless otherwise specified, to the territory of the former Netherlands Indies.

[2] The Malayan Union, for convenience referred to as Malaya in this Report, was created on 1 April 1946, and comprises the former Straits Settlements, with the exception of the present colony of Singapore, and the former Federated and Unfederated Malay States. Where the information given relates to the period before 1 April 1946, the term Malaya refers to the territory of the Malayan Union and Singapore taken together.

were regarded as urban), it constituted 70.5 per cent. of the total in 1931. In the Philippines, the rural population formed about 77 per cent. of the total in 1939. On the other hand, in Japan, where economic development is well advanced, the population in rural areas, or localities with less than 5,000 inhabitants, amounted to only 39.9 per cent. of the total in 1931.

In the last half a century or more, there has been a considerable increase in the population of most, if not all of these countries, and the proportion of the rural to the total population has shown little or no diminution. In India, for instance, during the period 1881-1941, the total population increased by 138.6 million; the proportion of the rural to the total population was 90.6 per cent. in 1881, 89.7 per cent. in 1921, 89 per cent. in 1931, and 87.2 per cent. in 1941. In Ceylon, the population in 1946 was 6.6 million, showing an increase of 16.7 per cent. on the 1931 figure; the rural population formed 87.1 per cent. of the total in 1921, 86.8 per cent. in 1931, and 84.8 per cent. in 1946. In contrast to this situation, it is noteworthy that in Australia, where the population increased by nearly 22 per cent. between 1921 and 1933, the proportion of the rural to the total population declined during the same period from 37.4 to 35.9 per cent., and that in New Zealand, where between 1921 and 1936 the population (excluding the Maoris) increased slightly, there was nevertheless an obvious, though small, reduction in the proportion of the rural to the total population. These figures are cited merely to illustrate the existing conditions.

Information concerning the density of the population in any area conveys little unless it is related to particulars of the local productive resources. Nevertheless, it might be noted that the average number of persons per square mile was estimated before World War II to be 106.8 in China, 246 in India, 72.3 in Siam, 56.5 in Burma, 209 in Ceylon (262 in 1946), 80.6 in Indo-China, 93.1 in Indonesia, 269.4 in Korea, 101.1 in Malaya, 78.4 in Manchuria, and 139.9 in the Philippines. The corresponding figures for Australia and New Zealand are 2.3 and 15.8, respectively.

The uneven distribution of the population is a striking feature of the situation in all these countries. As much as 86 per cent. of the population of China is concentrated in 16 provinces (Kiangsu, Chekiang, Anhwei, Kiangsi, Hupeh, Hunan, Szechwan,

Hopei, Shantung, Shansi, Honan, Shensi, Fukien, Kwangtung, Kwangsi, and Kweichow) totalling in area only 24 per cent. of the entire national territory. The average density in these provinces is 141 persons per square kilometre—in the case of Kiangsu, which lies in the thickly populated coastal fringe, it is 335 persons—while it is only 7 persons per square kilometre in the remaining 76 per cent. of the total area. The density of population in Manchuria varies between 142 persons per square kilometre in Chinchow to one person to 2 square kilometres in north Hsingan.

In India, the density of population ranges from under 100 persons per square mile in parts of Baluchistan to over 800 persons in Bengal. It has been estimated that, while 57.7 per cent. of the total area of the country supports only 17.5 per cent. of the population, with a density of 150 persons per square mile, 29.5 per cent. of the population is crowded into 6.4 per cent. of the area, with a resultant density of 600 persons or more per square mile. Almost three fifths of the population of the country is concentrated in one fifth of the area.

The most thickly populated area in Ceylon, the Western Province, has 5.6 per cent. of the island's area, but 28.1 per cent. of the population; the North Central Province has 15.8 per cent. of the area and only 2.1 per cent. of the population.

In Indo-China, 78 per cent. of the population is concentrated in 13 per cent. of the area. The average density was 31 persons per square kilometre in 1936, but it varied a great deal from one area to another; it was 71 persons per square kilometre in Cochin-China, and 4 persons in Laos. The density of population in the Red River delta of the north of Annam is even greater, and reaches as much as 170 persons per square kilometre in certain districts. Some villages in the provinces of Thai Binh and Nam Dinh, which had a population of 2,000 some 40 years ago, now have one of 5,000 to 6,000, although there has been no great increase in the area under cultivation.

In Indonesia, in 1930, the average density was 315.6 persons per square kilometre in Java and Madura and 10.7 persons in the Outer Provinces. Likewise, in the Philippines, while Luzon is thickly populated, Mindanao is sparsely inhabited. The unequal distribution of the population is a regional characteristic which is shared by Australia and New Zealand as well. In Australia, which has a very uneven distribution

of population, mainly because of its geographical features, the density per square mile in 1938 varied from 0.009 in the waterless wastes of the Northern Territories and 0.4 in Western Australia to 20.7 persons in Victoria.

Professor John L. Buck (1937) has estimated that in the case of China (excluding Manchuria, Outer Mongolia, Tibet and Sinkiang, and all parts of Chahar, Suiyuan, Ninghsia, Tsinghai, Kansu, Shensi, Szechwan, Sikang, and Yunnan), only about 27 per cent. of all the land is utilised for crops, while 4.6 per cent. is used for pasture, 8.7 per cent. for forest, and the remaining 59.7 per cent. is employed for other purposes or is valueless. The density of the farming population per unit of crop area is estimated at 1,500 persons per square mile, and the area per head of the farming population (which constitutes 75 to 80 per cent. of the total) at 0.62 acre. The average farmer's household in China consists of 6.2 persons and the average size of its holding is 4.18 acres, as compared with an average farmer's family of 4.2 persons and average farm of 157 acres in the United States.

The annual average area under cultivation in India, excluding the Indian States, increased from 209.4 million acres in 1900-1910 to 229.7 million acres in 1930-1934, or by 10 per cent., while the population increased during about the same period by 17 per cent., or from 231.1 million in 1901 to 271.5 million in 1931. It might be added that in 1931, of the estimated total cultivable area of 432 million acres, only 278 million acres, or 64.4 per cent., was under cultivation.

In Siam, only 9.6 per cent. of the land (12.3 million acres out of the total area of 128 million acres) was utilised in 1930.

The total area occupied for cultivation in Burma in 1940 was estimated at over 21 million acres, including a fallow area of 4 million acres; by 1945-46, there was a decline of nearly 500,000 acres in the total area and an increase of about 6 million acres in the fallow area (in 1946-47 the loss had been repaired to the extent of about 1.5 million acres). Approximately 66 per cent. of the 1940 area was under rice—the main export (normally about 3 to 3.5 million tons a year) of the country. In Burma proper, as opposed to the hills, agriculture is normally conducted on a commercial and not on a subsistence basis.

In Ceylon, out of a total area of 16.2 million acres, only 7.5 million (46 per cent.) can be cultivated; 52 per cent. of this area is under crops (plantations, 36 per cent; rice and other food crops, 16 per cent.) and 48 per cent. under forest. According to economic surveys carried out in eight districts by the Economic Adviser to the Government[1], the average farmer's household consists of 4.5 persons.

Before the Second World War, out of Indo-China's total area of 740,000 square kilometres, only 100,000 square kilometres, or less than 15 per cent., was utilised, and only 60,000 square kilometres, or approximately 8 per cent., was under cultivation.

In Java and Madura, which together account for 69 per cent. of the total population and 7 per cent. of the entire area of Indonesia, plantation crops (tea, rubber) occupied 7.7 per cent., and other crops 59.9 per cent., of the total area.

In Malaya (excluding Labuan, Christmas Island, the Cocos Islands, and Brunei), 18.4 per cent. of the total area of 51,070 square miles was under cultivation and 15.5 per cent. under crops, in 1938.

Farm and estate land constituted 22 per cent., grass and open land 18 per cent., and forest land 55 per cent. of the total area of the Philippines in 1934.

In Asiatic countries, agriculture is for the most part a means of mere subsistence, as the holdings are small, cultivation is intensive, and human and animal labour are widely employed. In contrast to this situation, in Australia, where 55 per cent. of the total land area is used for pasturage, 2 per cent. for forest, and 3 per cent. for the cultivation of food crops, including fruit growing, and New Zealand, where as much as 96 per cent. of the land under use forms the basis of the dairying and meat industries, agriculture produces a considerable surplus, on account of its development on commercial lines and the extensive application of mechanical devices.

The Agrarian Framework

Land Tenure

The system of land tenure and the size of the holdings are among the principal factors affecting cultivation (which is the

[1] The results of these surveys were published by the Ministry of Labour, Industry and Commerce at intervals over the period 1937-1945.

main occupation of the rural population). China, like India, is a land of villages; but unlike India, which has the world's largest cattle population, in China, animal husbandry, except in the north-west, is negligible. In China, as in India, there are a large number of petty absentee landlords, but China has fewer landed gentry, and large landowners are confined to certain regions. In recent years the landless agricultural population in India has grown considerably, but such agricultural wage earners seem to constitute only a relatively small proportion of the total rural population in China.

According to one estimate of conditions in east, central, and north China before the outbreak of Sino-Japanese hostilities, at that time just under two fifths of the farm work was as a rule performed by the farmer himself, a little over two fifths by the farmer's dependants, and the remainder by hired labour. The proportion of owners, tenants, and hired labourers varies, of course, from one area to another in so large a country as China. At the end of the First World War, for instance, the proportion of owners was highest in the northern provinces, somewhat less (about 67 per cent.) in Shensi, Shansi, Hopei, Shantung, and Honan, still less in the central provinces, and least of all (about 29 per cent.) in Kiangsi, Hunan, and Kwangtung.

The conditions of ownership and tenancy, which vary a great deal from one part of the country to another, are determined mainly by custom. In some parts what may be aptly described as a system of dual ownership prevails. In Chekiang, for instance, it is the accepted rule that the rights as to the surface appertain to the tenant and those concerning the subsoil to the owner, with the result that the cost of improvement is shared between them. The tenant is as a rule entitled to the renewal of his tenancy and to its subletting. He cannot be evicted as long as he pays his rent and his right may be freely mortgaged, sold or transmitted to his heirs. In Kwangtung the tenant's right to the renewal of the lease is conditional on the fulfilment of his obligations. In other parts of the country custom does not seem to favour tenants to the same degree. Not infrequently owners sink to the ranks of tenants through indebtedness. Professor Buck considers that approximately half the farmers of China may be regarded as peasant proprietors properly so called.

Of the total land area in China, approximately 8 per cent. including mountainous and forest tracts, is owned by the public authorities. Of the farm land, 93 per cent. is privately owned, while only 1 per cent is owned by the public authorities, and the remainder is held by corporations such as schools, temples or charitable institutions.

The systems of land tenure in India likewise show wide variations, but they may be classified under three heads: the "zamindari", where the ownership is vested in one or more landlords; the "mahalwari", where the village lands are held in common by the village communities; and the "ryotwari", where the "ryots" or peasants are proprietors. In 1937-38, 25 per cent. of the total extent of the land under cultivation in the Indian provinces was held under the zamindari system of "permanent settlement" (so called because during the early period of British rule the revenue in respect of the land was fixed "in perpetuity") to be found in most parts of Bengal and Bihar, about one half of Orissa, about a third of Madras, and a few areas in Assam and the United Provinces; 39 per cent. was partly under the mahalwari and partly under the zamindari system, as in the whole of the United Provinces, almost the whole of the Central Provinces (but not Berar), and about a fourth of Orissa; and the remaining 36 per cent. was under the ryotwari system, which characterises most of the rest of the country. Except, of course, in the "permanent settlement" areas, the rate of the land revenue is determined periodically, as, for instance, every 20 years in the Central Provinces, once in 30 years in Bombay, Madras, and the United Provinces, and at intervals of 40 years in the Punjab.

A characteristic feature of the agrarian framework in India is the large number of persons deriving their income from rent on the land. It has been observed that even in ryotwari areas most owners of holdings of over 25 acres often prefer to let their land to men willing to undertake the burden of cultivation and to share the proceeds. The general poverty of the rural population is such that even meagre returns are a sufficient inducement to the cultivator for prolonged and painful exertions. Moreover, in the zamindari areas in particular, the intermediaries between the landlord and the cultivator are numerous and are reported to total as many as 50 or more in some cases. Rackrenting in crop-sharing areas,

which constitute, for instance, about 20 per cent. of the sown area in Bengal and Bihar, 25 per cent. in the United Provinces, and 50 per cent. in the Punjab, evidently prevails to such an extent as virtually to obliterate the distinction between the cultivating tenant and the landless labourer. In recent years, however, steps have been taken to provide legal protection for the tenant, and the abolition of the "permanent settlement" is at present under consideration.

In Siam, in those regions in which subsistence farming is still largely prevalent, peasant proprietorship is most common, but in commercialised areas, especially around Bangkok and in the Klong Raingsit area, landless farm labourers seem to be greater in number. The proportion of tenants to the total farming population usually varies between 5 and 30 per cent. It has been reported to be as high as 84 per cent. at Dhanyaburi, east of Bangkok; and it is here that the tenant problem is most acute, the relations between landlords and tenants sometimes being far from cordial. Most landlords are Siamese, although Chinese landlords are increasing in the central districts. In north and north-east Siam, usually half the crop is paid as rent to the landlord, who pays the taxes. In south Siam, rent is usually paid in cash; sometimes the tenant pays the taxes, sometimes the landlord.

Land in Burma is the property of the State, except to the extent that the State has either recognised rights believed to have existed before British rule (non-State land in Upper Burma), or else hypothecated its rights by general or special arrangements (landholders' right in Lower Burma and grants and leases). While in 1900, out of the total occupied area of 15.8 million acres in the country, 13.5 million acres were held by agriculturists and the remainder by non-agriculturists, in 1939, out of the total occupied area of 19.5 million acres, 13 million acres of land were held by agriculturists and 6.5 million acres by non-agriculturists. Between 1900 and 1939, the land held by non-residents increased from 1.5 to 5 million acres, as compared with the increase in the total occupied area from 15.8 to 19.5 million acres. In Lower Burma, in 1939, out of the total occupied area of 11.25 million acres, 5.5 million acres were held by non-agriculturists, including 4.5 million acres owned by non-residents. A considerable part of the land in this part of the country has passed into the hands of absentee landlords, especial-

by the "chettiyars", a closely knit community of financiers from South India.[1] Up to 1931 they formed a main source of agricultural credit in the country, and they acquired a large amount of land in the course of the economic depression during the interwar period, when there was an unprecedented fall in the price of rice and cultivators were unable to pay their debts.

In Ceylon, tenants of absentee landlords account for the cultivation of about 25 per cent. of the area under rice, the balance being worked by owner-cultivators either alone or with the aid of paid labour. Tenants generally cultivate on a share basis, the share ranging from 5|6 to 1|2 the yield. Large areas have in the past been alienated to planters at nominal rates, and in some areas the Government owns very little land.

One of the characteristic features of the regulations governing land in Indo-China is the great uncertainty of ownership. This is due in the first place to the constant changes that take place in the land itself, which "appears and disappears under the chance influence of some watercourse or flood, there being no definite boundary between the land area and the water area". In theory, the right of ownership is determined by an entry in the "dia bo" or village land register introduced by the Emperor Gia-Long as a basis of the land tax. But much of the value of this system as a means of proving rights of ownership has been destroyed by the negligence of the indigenous authorities responsible for the register, the absence of cadastral plans, the impossibility of setting up boundary marks, and the fact that there is no possibility of acquisitive prescription based on length of possession.

In the deltas of Tonkin and Annam, the Annamite custom is to divide the property equally among all the children, with the exception of the eldest son, to whom an additional share is accorded. The method of direct family cultivation is the general rule throughout the north of Indo-China. In Cochin-China the system of land distribution is entirely different, and there is a preponderance of very large holdings. In Cambodia, the family holding is the rule, except for the rubber plantations. Most of the inhabitants are smallholders, cultivating an area of less than a hectare along the river valleys and between 1 and 5 hectares

[1] Out of the total of 9·5 million acres of land in 13 principal rice-growing districts in Burma in 1937, 2·5 million acres had passed into the hands of the chettiyars.

in the interior. Tenant and share farming are very rare, there are very few day labourers, and mutual aid is highly developed. In the Laos and the Mois districts, which are sparsely populated and where there is an abundance of unoccupied land, every type of ownership is to be found : the tiny holding cultivated successively by father and son, ownership being confirmed merely by custom ; areas belonging to a community, certain parts of which are cleared by fire and then abandoned again; and strips of forest or grass land, which are roughly developed for a time as tribes migrate from place to place.

Agriculture in Indo-China has gradually evolved—by different methods in different districts, but with similar results—to a position in which there are two very distinct elements: on the one hand, the large and medium-sized landowners—Annamite and French[1]—who exercise their influence through the authority of the mandarins, the local councils and chambers of agriculture, their associations, the press and the credit system ; on the other hand, the working masses—smallholders, tenant farmers, share-farmers, wage earners, all more or less subject to the other group.

In Indonesia, although the customary law still persists, namely, that the right of disposal of land and water in all transactions between members of the various communities as well as between these members and outsiders, appertains to the communities concerned, the right of individual ownership is well established, particularly in Java. The Constitutional Regulation of 1854 and the Agrarian Act of 1870 prohibit the alienation of land to foreigners and confirm the customary rights of Indonesians over land. Rights of private ownership may, however, be acquired by Indonesians by a special procedure; and the leasing of land belonging to the State, which is not subject to any communal rights, for a period not exceeding 75 years, of the private property in land of Indonesians for a period not exceeding 20 years, and of land held in customary tenure for a period not exceeding 5 years, is permissible. It should be added that Europeans had acquired a considerable area of land before these protective measures were brought into operation. In 1938 such estates totalled 1,079,202 hectares in Java and Madura and 1,405,902 hectares in the Outer Provinces.

[1] Plantations owned by French companies have been created by the clearing of forest during the last 40 years and do not affect the distribution of the ownership of cultivated land.

In 1932 in Korea, 80.2 per cent. of the total farming population was made up of tenants, including share croppers and others with rights only of occupancy of one kind or another to the land they cultivated, and over a half of all farmers engaged in agriculture were tenants. As much as 57.6 per cent. of the total area permanently under cultivation was husbanded by tenants in 1936.

Large areas of land have been alienated in Malaya to tin mining and other enterprises such as rubber and oil-palm plantations. The proportion of the land alienated varies in different parts of the territory, but out of a total area of about 32,684,000 acres (excluding Labuan, Christmas Island, the Cocos Islands, and Brunei) about 6,000,000 acres, or 18.4 per cent., have been alienated, mostly for the establishment of plantations. In 1938, 5,074,000 acres of such land, or 15.5 per cent. of the total, were under crops, largely rubber and coconut palm. The relative importance of export crops and of food crops for local consumption in the economy of Malaya will be evident from the fact that in 1937 only 36 per cent. of the domestic requirements of rice (which, incidentally, is grown by Malay small subsistence farmers) was produced locally.

Regulations designed to prevent further alienation of the land to non-Malays have, however, been adopted, and all land which has not already been alienated is regarded as Crown land in the former Straits Settlements and as the property of the States in the former Federated and Unfederated Malay States. As a rule, holdings under 10 acres are held by Malay peasants, while those between 10 and 100 acres are held by Chinese and Indians, and larger estates by European or foreign Asiatic (mostly Chinese) concerns. In 1938 the small holdings accounted for 36 per cent. of the land in the Federated States, 38.3 per cent. in the Straits Settlements, and 41.2 per cent. in the Unfederated States, and of the larger estates of over 100 acres in extent, 75 per cent. were controlled by European (or western) interests, 16 per cent., by Chinese, and 4 per cent., by Indian interests. In 1931, 3.6 per cent. of the larger estates were under the control of Japanese interests. Of the rubber estates of over 100 acres in extent, 75.3 per cent. were owned by European interests, 15.9 per cent. by Chinese, 4.3 per cent. by Indian, and 4.5 per cent. by other interests in 1938.

Recent figures for the Philippines have not been easy to pro-

cure, but those for 1918 show that out of 1,955,276 agricultural units in the islands, as many as 1,520,026, or 77.8 per cent., were operated by the owners, 324,776, or 16.6 per cent., by tenants (paying rent in cash, or in kind, including labour) and 110,478, or 5.6 per cent., by squatters on the public land. It may be added that the large number of owners is accounted for by the fact that the great majority of farms—60 per cent. of the total—were less than one hectare, and 40 per cent. less than 0.35 hectare, in extent. Under the existing system of land tenure, the landlord and the tenant share the cost of production and the produce equally; or in some cases the landlord's share, especially of the products, may run as high as two thirds of the total. The actual tenure differs from province to province, but in all cases, the tenants are share-croppers. On the sugar plantations, however, hired labourers are often employed. It is stated in the report on labour problems adopted by the Asian Relations Conference (New Delhi, March—April 1947) that the agricultural problem is less acute in the Philippines than in other countries of East Asia, owing to the comparative freedom from population pressure.

In contrast to the situation described above, in New Zealand, which is essentially a farming country, the bulk of the best land is in the hands of freehold owners. In 1930, for instance, nearly 63 per cent. of all agricultural holdings were freeholds and an additional 11.4 per cent. were combined freeholds and leaseholds.

The Size of the Holdings

In many Asiatic countries the combined effect of the small increase in recent years of the area under cultivation, the growing pressure of population on the land, and the customary practice of the division of property among all the children of the owner has been, not only the reduction of the holdings in size, but also their fragmentation. A stretch of land in any locality is seldom of the same quality throughout, and in the division of property not infrequently pieces of land of varying quality are split up into tiny patches.

According to a report published by the Ministry of Industries in Nanking in 1935, at that time the holdings in the case of over 60 per cent. of the peasant families in China measured less than 20 mows (1 mow = 0.152 acre) each. The average area

of cultivated land per farmer for the whole country in 1944 was 4.37 shih mows (1 shih mow = 0.0247 acre) and the averages for the provinces were: Heilungkiang, 18.71 shih mows; Honan, 3.76 shih mows; Kansu, 6.52 shih mows; Kiangsu, 3.40 shih mows; Kirin, 12.47 shih mows; Kwangsi, 2.36 shih mows; Kwangtung, 2.11 shih mows, Shansi, 7.38 shih mows; and Szechwan, 3.98 shih mows. It has been stated, moreover, that for the country as a whole the holdings of the owners are on an average 4.22 acres each, while the corresponding figure in the case of the tenants' holdings is 3.56 acres, and that the farms are as a rule larger in the wheat than in the rice belt, where more than a single crop a year may be grown. In considering this figure it has to be borne in mind that it relates to families and that the size of the average family in China is considerably larger than in western countries.

It has been estimated that in India the average size of a holding is 5 acres, as compared with 21.5, 25, 40, and 145 acres in Germany, Sweden, Denmark, and the United States, respectively. Some experts hold the view that in India no holding less than 5 acres in extent, including 2.3 acres of irrigated or wet land, is likely to produce an adequate return. The Commission appointed by the Government to enquire into the conditions of famine and acute distress in certain parts of the country in 1943 reported that the average size of a holding in Madras was 4.5 acres; that the holdings of 50 per cent. of the total number of landowners in Bombay were less than 5 acres in extent; and that in the United Provinces, in the Gorakhpur division, each farming family held on an average 4.8 acres, while in Agra district 27 per cent. of the farming families had holdings of less than 2.5 acres, and 23 per cent. between 2.5 and 4.5 acres. The Commission also noticed that in Assam, Bengal, Bihar, Bombay, the Central Provinces and Berar, Madras, Orissa, and the Punjab, the holdings were gradually tending to become smaller, and remarked on the no less clear trend in all the provinces, except the North-West Frontier Province and Sind, towards the increasing fragmentation of holdings.

The forces that have been at work in China and India to cause a reduction in the size of holdings and their further fragmentation have also been evident in other Asiatic countries.

In Siam, there is excessive fragmentation of land, especially in the northern, southern, and north-eastern districts. Many

plots are as small as one tenth of an acre, and a man's fields are often widely separated. In the central plains, most of the farms range from 12 to 80 acres in size, but in the north-east and the south they range from two fifths of an acre to 8 acres.

The size of holdings in Burma varies considerably. In Arakan, especially in Kyaukpyu, holdings are very small, probably not exceeding 5 acres. In most of Lower Burma the holdings worked are much larger, usually 20 to 30 acres and in some cases such as parts of Pegu, as much as 50 acres. In Upper Burma, the holdings are smaller, namely, 5 to 10 acres. The position is very difficult to assess except in terms of local experience, because one man may own or work more than one piece of land described as a holding or may work only a portion of a large holding. Fragmentation has not proceeded to a dangerous extent, except in Kyaukpyu and to a less extent in Prome, but there are signs of pressure of population on the land in dry zone districts, such as Myingyan.

In Ceylon, 70 per cent. of the people are engaged in agriculture (excluding plantations). The holdings are very small, especially for rice cultivation, and range from about one eighth of an acre in Jaffna to 5-10 acres in certain areas of the Eastern Province. Apart from fragmentation, there is also the evil of joint ownership, whereby the same piece of land is cultivated in rotation by all the joint owners. The economic surveys have shown that the average number of families owning over 5 acres of land was only 8.5 per cent. of the total number of families in the villages surveyed.

In Indo-China, an enquiry made in Tonkin in the early 'thirties showed that the average size of the rice fields of 62 per cent. of the farming families was under 0.36 hectares, and of 30 per cent. less than 0.18 hectares. In Annam, in 1938, the land was held by 646,350 owners, of whom 450,000 owned less than half a hectare, 165,000 owned 1|2 to 5 hectares, 31,000 owned 5-25 hectares, 300 owned 25-50 hectares and 50 owned over 50 hectares. In Cochin-China, where 71.7 per cent. of the holdings (rice fields), are reported to be under 5 hectares each on an average, 14.7 per cent. between 5 and 10 hectares, 11.1 per cent. between 10 and 50 hectares and 2.5 per cent. over 50 hectares, it is customary to divide the larger holdings into parcels of 5 to 10 hectares, and lease them to tenants for a share of the harvest, varying from 40 to 50 per cent. In

Cambodia, most peasant holdings average less than one hectare each in the proximity of the river and 1 to 5 hectares each where the land is situated at a distance from the river.

It is interesting to compare the situation described above with that in Australia and New Zealand, even though the conditions in Asia and Australasia are totally different. In the one case, there are long-established populations, while, in the other, largely uninhabited territories have been recently settled. In Australia, in the 'thirties, 22.1 per cent. of the total number of holdings were under 50 acres, 10.1 per cent. between 50 and 100 acres, 34.8 per cent. between 100 and 500 acres, 14.4 per cent. between 500 and 1,000 acres, 16.7 per cent. between 1,000 and 5,000 acres, and 1.9 per cent. 5,000 acres or more, in extent. The large pastoral runs in New Zealand, which are located chiefly on the South Island, average about 15,000 acres, but are frequently as large as 50,000 acres. There are numerous small market gardens and orchards ranging from 1 to 100 acres in size, and all these and other larger holdings are situated mainly in the best and intensively cultivated area, which amounts to no more than 14 per cent. of the total occupied area. In 1939, 30.18 per cent. of all the holdings were under 50 acres, 33.75 per cent. between 50 and 200 acres, 23.22 per cent. between 200 and 640 acres, and the remaining 12.85 per cent. 640 acres and over, in extent.

Handicrafts and Cottage Industries

In the last century or more the importation of machine-made goods into Asiatic countries has become so common that it is mainly, if not wholly, limited by the purchasing power of the local population and its capacity to export raw materials or other products to pay for the imports. Nevertheless, handicrafts and cottage industries are still a factor of considerable importance in the economy of these countries, if only because the large majority of the population are far too poor to buy imported goods. The bulk of the working population in the rural areas, with the exception of those engaged in actual cultivation, are employed in handicrafts and cottage industries. Only a relatively small number are absorbed by large-scale factory production on modern lines. Moreover, contrary to the usual supposition, handicrafts and cottage industries provide

whole-time occupation to a very large proportion of the workers employed in them.

The impact of modern industry on handicrafts and cottage industries has led to their reorganisation. Some of them, such as cotton ginners, rice mills, sugar refineries, and establishments for the manufacture of paper and simple agricultural implements, may be appropriately considered elsewhere, for although they are of a seasonal character and are mainly engaged in the processing of agricultural products, they employ mechanical power and may be approximated to factories. Handicrafts and cottage industries properly so called might be broadly classified into arts and crafts subsidiary to agriculture, subsistence industries, village art industries, and urban arts and handicrafts. The arts and crafts subsidiary to agriculture, such as hand spinning and weaving, flour grinding, rice pounding, rope making, basket weaving, and cotton ginning, usually provide for the domestic requirements of the local inhabitants and occasionally for a wider market as well. The village subsistence industries are represented by the local artisans, such as blacksmiths, carpenters, potters, weavers, and oil pressers. Among the village art industries, carpet weaving, silk weaving, metal work, art work in potteries, and the fabrication of bangles, toys, and similar articles may be included. Urban arts and handicrafts, which consist of embriodery work and the manufacture of brocades, shawls, carpets, gold-plated thread, and similar articles, call for a high degree of specialisation.

As has been remarked above, these traditional small-scale industries are in process of adaptation to the impact of modern large-scale machine production. The handloom industry in India provides a good illustration of this transition. Six forms of organisation under which it operates at present may be clearly distinguished: (1) the family establishment of the self-employed independent weaver, (2) the commission agency for the employment of weavers in their own homes by master weavers or cloth dealers; (3) the cottage workshop, equipped with looms by master weavers, for the employment of weavers; (4) the handloom factory in which business is conducted by the owner on modern commercial lines; (5) the co-operative undertaking in which production and sale are conducted on co-operative lines; and (6) the power-loom factory in which the aid

of mechanical power is resorted to for weaving. One result of the transition to large-scale production is the large part played by the entrepreneur, who finances the undertaking and frequently also undertakes the organisation of the supply of the raw materials and of sales, but expects a large return for these services in the form of profits. Another result is the absorption to an increasing degree of the independent artisan into the organised workplaces, particularly in the vicinity of the larger towns.

It is difficult to estimate the number of cultivators who take to subsidiary occupations in their spare time in the slack season. It may, however, be recalled in this connection that the Royal Commission on Agriculture in India, which made a careful investigation of the situation in that country in the 'twenties, observed:

> The prominent feature of Indian agriculture is the amount of spare time which it leaves for the cultivator. This varies very greatly according to the local agricultural conditions, but it may be assumed as a broad generalisation that by far the greater part of cultivators have at least from two to four months of absolute leisure in the year.

More recently, the Famine Inquiry Commission of 1943 found that, in the view of the Government of Assam, small cultivators, who constitute 30 to 40 per cent. of the population, did not produce enough to meet their normal expenditure and therefore needed a subsidiary income. Conditions vary, of course, from province to province, but it is undeniable that a large number of agriculturists in India need a subsidiary source of income. The situation in other Asiatic countries is in all likelihood not very different.

As a rule, the nucleus of rural handicrafts and cottage industries is the family. That appears to be still the case in many parts of China, and as in India, attempts are made with increasing success to form larger units. It was reported a few years ago that in Tayinchin, in the south of Hopei, for instance, the tanning of skins collected from the neighbouring farmers is carried on in workshops, the smallest of which are staffed by the members of a single family. About two fifths of such workshops employ less than ten workers, and a few firms as many as a hundred. Like conditions—the coexistence of small concerns with hardly a dozen workers and of larger ones employing a hundred or more, the acquisition and operation of several

small concerns by the same owner, and the disposal of the products to traders from the commercial centres—were reported to prevail in the pottery industry in Hopei, as well as in the carpet industry in many parts of the country. An interesting form of the organisation of cottage industries, which has been evolved in recent years in China and which has been much remarked in that country as well as abroad, is the industrial co-operative; this is dealt with elsewhere in this Report.[1]

It is possible to attempt an estimate of the number of workers who derive their livelihood from the handloom industry in India, on the basis of recent investigations. Approximately 2.4 million whole-time and part-time weavers and 3.6 million ancillary workers (some of these latter as regular wage earners and others as trainees) are employed in the handloom industry, and if dependants were also to be taken into account, the total number of persons deriving their livelihood from the industry might not be much less than 10 million. According to a calculation made in 1940, there are about 2 million handlooms in the country (13 per cent. of them not in operation) and they are distributed among the various branches of textile production in the following proportions: cotton, 72 per cent.; silk, 16 per cent.; wool, 5 per cent.; artificial silk, 1 per cent.; and other textiles, 6 per cent. Throw-shuttle looms account for 64 per cent., fly-shuttle looms for 35 per cent., and other types for 1 per cent., of the total. The total average annual production of hand-woven (including hand-spun) cloth is 1,803.47 million yards (cotton, 1,620.36 million yards; silk, 40.36 million yards; artificial silk, 74.77 million yards; wool, 20.61 million yards; and mixed, 47.37 million yards).

As has been remarked above, for the great majority of handloom weavers weaving is a whole-time occupation. The proportion of whole-time handloom weavers to the total number is 99 per cent. in Sind, 88 per cent. in Bombay, 87 per cent. in Madras, 81 per cent. in the Punjab, and 75 per cent. in the United Provinces and Bengal. Nearly all the weavers of Travancore and Cochin, 97 per cent. in Mysore, and 85 per cent. in Hyderabad are whole-time workers.

Although handloom weaving is for the most part a hereditary trade, there has of late been an influx of new entrants, particularly in Bengal and Madras. It is, however, no longer an

[1] See below, p. 63.

essentially rural occupation, except in the comparatively inaccessible parts of the country, for as a result of improved communications and production for distant markets, handloom weavers are at present to be found in large numbers in urban centres. This has led to a noticeable localisation of the industry and a great deal of specialisation.

Another feature of the handloom industry to which attention should be called is its utilisation of mill-spun yarn. In the first decade of the present century the total annual handloom production of cotton cloth exceeded the mill production, and in some years it was nearly twice as much. During the following five years the figures were nearly equal. With the First World War, however, mill production gained considerable ascendancy, and in succeeding years both mills and handlooms were supported by the Government's tariff policy and by the rural reconstruction programme of the Nationalists. Between 1901-1906 and 1934-1939 mill production and handloom production increased by 479 per cent. and 54 per cent. respectively; during the period 1920-21 to 1937-38 the share of the mill production in the country's total output increased from 40 to 71 per cent., while that of the handloom production decreased from 60 to 29 per cent. It is, however, noteworthy that the handlooms continued to provide about the same proportion (approximately 25 per cent.) of the cloth available for home consumption and that they employed over 85 per cent. of the total labour force engaged in the production of textiles.

The persistence of the handloom weavers in clinging to their trade despite the rapid progress of the mill industry may be explained by the pressure of population on the land. Technological developments result, immediately at any rate, in a reduction in the demand for labour, and where the pressure of population on the land is already heavy, unemployed workers cannot turn to it for a living. If a mill ceases to pay, it goes into liquidation, but if the handloom workers' returns turn out to be disappointing, it only means harder work for them. In the absence of a sufficient number of more remunerative openings, the abandonment of their customary trade would sooner or later result in their swelling the ranks of the landless unskilled workers.

It should be added that the Second World War had the effect of increasing the demand for handloom production, on account

of the need of various kinds of war supplies as well as the general shortage of consumers' goods, and that in areas such as south India where handloom production has increased, the increase has largely been brought about by the displacement of the throw-shuttle by fly-shuttle looms. These latter account for 81 per cent. of the looms in Madras, 67 per cent. in Bengal, 55 per cent. in Bombay, and 47 per cent. in the Central Provinces and Berar. The average production with fly-shuttle looms is estimated to be approximately 75 per cent. higher than that with throw-shuttle looms.

The necessary data for attempting an estimate of the rural artisans in India are not easily accessible, but it is reported that the village blacksmiths, carpenters, potters, weavers, and oil pressers in the United Provinces, for instance, have been declining in numbers in the last two decades.

It is considered that much needs to be done to organise handicrafts and village industries in Burma. The principal difficulty is the lack of initial capital, which prevents a steady flow of production and thus precludes the establishment of a regular trade.

In Ceylon, cottage industries give employment to a considerable section of the population, especially women. The chief cottage industries are pottery making, textile weaving, tiles, bricks, coir mats and matting. Cottage industries are assisted by the Department of Commerce and Industries, more especially as they can also provide spare-time occupations for most agriculturists. There were in 1946, 249 Government textile centres, 53 assisted centres, and a number of weaving centres and textile workshops. In addition, there were 33 pottery centres, 37 carpentry schools, 43 mat centres, and a small number of centres for paper, rattan, and needle work and 2 silk farms. It is estimated that about 6,500 persons are employed in the Government cottage centres. Private textile centres give work to about 10,000 persons and private coir centres to about 50,000. The number of schools providing training in handicrafts is 17 and the number of pupils in 1946 was 6,385.

Indo-China, like most other countries in Asia, was a land of autarkic village communities until it came into contact with the western world. Local craftsmen supplied local needs, as is still being done to some extent. They seem, however, to have

declined in numbers. It was reported some years ago that in Lower Tonkin, with a total population of 6.5 million, there were about a million craftsmen, 200,000 mainly occupied in some hereditary trade such as weaving, wood working, or basket making, and 800,000 who engaged in these activities for at least a few weeks in the year. The most common rural crafts in Cambodia are the reeling and weaving of silk, boat building, and fish curing. The decline in the rural industries in Indo-China since the beginning of this century has been generally noticed, and it has been observed that the hereditary craftsmen have had increasingly to turn to the land for a living.

In Indonesia, particularly in Java, villagers give a good deal of their spare time to arts and crafts. These are mostly carried on in the homes of the cultivators, to whom they are a subsidiary occupation. Five million agriculturists in Central Java derived in 1930, for instance, 17 per cent. of their total income from such rural industries. The larger part of these proceeds represented the return for the labour involved. There are, in addition, the cottage industries, which employ workers in small numbers and in which mechanical power is not used to any substantial extent. It has been estimated that 40 per cent. of the total number of workers engaged in cottage industries work at home, 40-45 per cent. in workshops, and the remaining 15-20 per cent. in small establishments employing less than 50 workers. Approximately 95 per cent. of these smaller industrial undertakings were owned by Indonesians, and the remainder by Chinese, in 1930.

Adequate information on the number of workers engaged in cottage and small-scale industries is not available, but a few figures may be cited by way of illustration: in 1935 the cigarette industry employed 26,250 home workers and 23,170 workers in workshops and small factories in Central Java, while the corresponding figures for East Java were 6,712 and 13,420.

Particular attention has been devoted to the development of the handloom industry in Indonesia, and improved types of looms have been made available to the workers as a result of the activities of the departments of industries in various parts of the country. The Brandoeng loom, for instance, although only one fifth as productive as the mechanised loom, makes it possible for the output to be up to seven times as large as that of the traditional village loom. The imports of cotton

yarn into Java and Madura amounted to 1,272,742 kgs. in 1932 and 2,164,432 kgs. in 1934. The Brandoeng looms increased in number from 258 in 1930 to 25,000 in 1938 and 44,000 in 1941, while the corresponding figures for the mechanical looms were 44, 4,600, and 8,000. The rural industries in Indonesia seem to have received a considerable impetus from the economic depression during the inter-war period, when the volume of imports was considerably reduced. There are, however, unmistakable signs that the middleman, who finances production and arranges for the marketing, has made his appearance and that these smaller industries are passing under his control to an increasing extent.

Forced Labour

In a general survey of the agrarian framework in Asiatic countries, some reference should also be made to forced or compulsory labour. It is not surprising that various types of servitudes are current in an economy so restricted and with such small scope for expansion. The mobilisation of local labour in sparsely populated areas by the public authorities for the building of roads or bridges or other public works projects, or for transport services, is common in many Asiatic countries. In such cases, however, the conditions of employment have been carefully regulated in most parts in recent years. This system is by its very nature open to serious abuses and therefore calls for careful supervision. The International Labour Conference has devoted particular attention to this question, as will be seen by reference to the Report (*Programme of Action for the Enforcement of Social Standards Embodied in Conventions and Recommendations Not Yet Ratified or Accepted*) on item III of the agenda of the present Conference.

The pledging of personal service to private interests, which is a form of servitude, is by no means uncommon in most parts of Asia. Such servitudes were a characteristic feature of western countries when economic development was still in its early stages. They survive at present in economically underdeveloped areas. Measures designed to prevent the perpetuation of this practice have been adopted in many parts in recent years, but they are not easy to enforce until the necessary economic development takes place. Many such practices are

historical in origin, and their prolongation may be accounted for by the indebtedness of cultivators, who have no means of repaying their debts except by pledging their services for a period of years, extending in some cases beyond the span of a single generation. The employment of domestics by landowners for household work as well as work in the fields in the province of Kwangsi in China is an instance in point. Persons so employed are bound by custom to continue in service. Moreover, in most districts of this province tenants appear to be under an obligation to render certain services to the landlord for nominal wages. It is not unusual for peasants who are heavily in debt to discharge it by entering the service of the creditor for a specified period.

In several parts of India, where the "depressed classes" or "scheduled castes" and the aboriginal peoples are most numerous, certain forms of agricultural servitude, for the most part associated with indebtedness, are prevalent. Not infrequently, for a comparatively small sum of money the agricultural labourer is constrained to mortgage his services and along with them a large measure of his personal freedom as well. The debt often enough remains a lifelong burden. These forms of servitude are known by different names in different parts of the country, and it is estimated that the total number of persons so affected may run into millions. A recent investigator has stated that they exist mostly in newly reclaimed forest lands and in sub-mountainous tracts. In 1936 it was announced in the Indian Legislative Assembly that the Central Government had obtained from provincial Governments information on forced labour in their respective areas, and had, where necessary, requested them to abolish such labour or to restrict it to the narrowest possible limits. Since then various provincial Governments have adopted measures to regulate and check forced labour. Similar action has been taken by several State Governments. The Government of India is considering the appointment of a committee to enquire into the extent to which forced labour still exists and to suggest methods for its abolition. It may further be mentioned that the fundamental rights of the individual established under the new Constitution which is being prepared by a Constituent Assembly set up in December 1946 include that of freedom from servitudes of this kind through the complete prohibition of forced labour.

Generally speaking, forced labour for private work is not usual in Ceylon, but relics of an earlier system of land tenure may be found, mainly in the Kandyan provinces. The tenant is required to render certain services for limited periods of the year in return for a tenurial holding. There is also a system whereby villagers are required by law to work on village roads, etc., for a period not exceeding 10 days a year. Similarly, villagers who live near irrigation works are required to give a specified number of days' labour for the upkeep of the works. In both these cases, the service can be commuted for a money payment. As far as Crown lands are concerned, service tenures were abolished as far back as 1833.

Agricultural servitude to private interests, as distinct from compulsory labour service for public purposes, seems to be rather less frequent in Indo-China, although where, as often happens, share farmers are in debt to the owners of the rice fields they cultivate, the link between the two becomes difficult for them to break.

In New Caledonia, where attenuated forms of forced labour have long persisted, it should be noted that all labour requisitions were abolished by a Decree of 11 April 1946.

Before the Second World War, forced labour in Indonesia was chiefly of two kinds: minor local services, including the maintenance of roads; and services for the owners of certain special concessions in the vicinity of Batavia. Local services of a minor character owed to the public authorities were in theory a commutation of dues in cash, but the prevailing poverty, combined with labour shortages in certain areas, resulted in practice in the population being subjected to what was virtually a system of forced labour. It should be added, however, that the authorities had adopted a systematic policy of the gradual elimination of forced labour, which might have proved wholly successful but for the economic depression of the 'thirties. Forced labour was abolished by law in Java in 1934, and in the Outer Provinces, finally, in 1941.

Living Conditions

Rural Incomes

The poor living conditions in most parts of Asia are largely the result of the low productivity of labour and small incomes of the rural population. Some measure of the returns from the

land in Asiatic countries, as compared with those elsewhere, will be found in the table below.

YIELD PER HECTARE IN DIFFERENT COUNTRIES

(*quintals*)

Country	Wheat (1930-34)[1]	Rice (1930-31 to 1934-35)	Tobacco (1930-34)	Sugar-cane (1930-31 to 1934-35)	Cotton (ginned) (1930-31 to 1934-35)
			(kg.)		
Argentine Republic ..	8·5	21 5	964	266·5	2·3
Australia ..	8·2	39·8	450	459·2	1·4 (Queensland)
Brazil	9·5	14·3	1,045	378·4	1·7
Burma	—	14·4[2]	1,111	—	0·9
Canada	9·1	—	1,061	—	—
Ceylon	—	8·0	702 (1929)	—	0·2
China	11·2	25·2	1,172	137·0 (1934-35)	2·2
Egypt	18·6	29·8	—	785·0	4·6
France	15·5	—	1,928	—	—
Germany ..	21·5	—	2,501	—	—
India	7·2	14·3	1,197	—	0·9
Indo-China ..	—	10·6	918	350·0 (Cochin-China)	0·9
Indonesia (Java and Madura)	—	15·7 (irrigated) 9·0 (unirrigated)	920 (European plantations)	1,351·0	—
Italy	14·0	48·0	1,230	—	2·4
Japan	18·3	35·5	1,889	430·2	2·2
Malaya	—	16·1[3]	—		—
Mexico	6·5	20·8	809	453·9	3·0
New Zealand ..	20·3	—	871	—	—
Philippines ..	—	11·3	577	377·4	2·0
Siam	—	16·3	674	—	1·8
Turkey	8·2	23·9	752	—	1·4
United Kingdom ..	22·6	—	—	—	—
United States ..	7·4	23·7	878	328·9 (Louisiana and Florida)	2·1
U.S.S.R.	7·2	16·7	832	—	1·9

Source : *Annuaire International de Statistique Agricole*, 1940-41.

[1] The average is for the period 1930-31 to 1934-35 for the countries of the Southern Hemisphere.

[2] It has been observed that official figures for the production of rice in Burma are underestimated. It may be assumed that the normal average yield per matured hectare before the war was not less than 18.25 quintals and that the average actual yields of the decade before the war were not less than 16.50 quintals per matured hectare and 15.75 quintals per hectare, respectively.

[3] The Malayan figure for 1940-41 was 19.8 quintals per hectare.

It will be observed that the average yield of wheat per hectare in India is roughly about one third of that in Germany, New Zealand, and the United Kingdom; for rice, the average is less than one third of that in Italy and considerably less than one half of that in Japan and Australia; for ginned cotton, it is less than one fifth of that in Egypt. In China, the figure for wheat is about half the United Kingdom figure and for rice a little over half the Italian figure. The report on agricultural reconstruction adopted by the Asian Relations Conference points out that the devastation caused by enemy occupation in a number of Asiatic countries and by current civil unrest has resulted in a fall in the output of agricultural crops, especially of food crops, which in turn has led to Asia becoming a net importer of food.

Owing to the lack of the necessary data, it is difficult to determine the *per capita* income of the rural population in the Asiatic countries. An indication of the general poverty in these areas, however, is given by the comparative estimates of the real annual income per head of the working population made by Colin Clark for various countries. These averages, which in the case of China and India are only approximations, are shown in international units or I.U. (one I.U. = the amount of goods and services purchased for $1 in the United States during 1925-1934), as follows:

Country	I.U.	Country	I.U.
United States	1,381	Germany	646
Canada	1,337	Belgium	600
New Zealand	1,202	Greece	397
Great Britain	1,061	Hungary	359
Switzerland	1,018	Japan	353
Australia	980	Italy	343
Netherlands	855	U.S.S.R.	320
Ireland	707	South Africa	276
France	684	British India	200
Denmark	680	China	100–120
Sweden	653		

These estimates, it must be borne in mind, are computed on the basis of the working population only. Since the ratio of dependants to workers in China and India is considerably higher than in most of the other countries mentioned, the relative poverty of these two countries would appear even more marked if averages for the total population were calculated.

Moreover, the distribution of income is highly uneven and the inequality between rural and urban incomes particularly noticeable. In the Indian provinces, for instance, according to one computation, the annual income per worker in urban areas was 426 rupees in 1931-32, as compared with only 135 rupees in rural areas; the corresponding figures for income *per capita* were 162 rupees and 48 rupees. In Ceylon, before the war, most of the families in the villages of the wet zone selected for the official economic surveys had a gross income of less than 20 rupees a month, while a few had incomes of more than 50 rupees a month. Money incomes have increased considerably as a result of the war, especially with the rise in the prices of agricultural produce. According to one estimate of the national income of the island, the *per capita* income was 100 rupees in 1938 and 265 rupees in 1944.

As regards the level of income of workers in cottage industries, in the absence of detailed information on conditions in the different countries concerned, the situation in India before the Second World War might be mentioned as an illustration. The great majority of handloom weavers earned from 4 to 6 annas (1 rupee = 16 annas) a day, a few of the more skilled from 8 to 12 annas, and the unskilled ancillary workers, 2 to 3 annas. There is evidence, moreover, of a substantial reduction in the situation of these workers since the 'thirties. As has been remarked elsewhere, the determination of the condition of the rural artisans has led in China and India, as also probably in most other Asiatic countries, to the organisation by middlemen of workshops in which a number of workers, ranging from ten to a hundred or more, are employed. Moreover, there are signs of concerted efforts on the part of these workers to combine to form their own organisations for the protection of their interests. In China and India, the tendency seems to be to form associations on trade union lines. In India (especially in the province of Madras), handloom weavers are organising themselves on a co-operative basis. An interesting feature of the efforts to improve the conditions of workers in cottage industries is to be found in the handloom industry of the French Establishments in India; it consists in the setting up of tripartite committees, composed of the labour inspector and representatives of employers and workers, for fixing minimum piece rates for weaving by home workers.

Rural Indebtedness

The indebtedness of the rural population in Asiatic countries constitutes a special problem. The large majority have an income so meagre as to preclude the possibility of any substantial savings, with the result that institutions for the provision of credit facilities for rural parts have not been highly developed. In the absence of such facilities, the ordinary cultivators and artisans who are in need of financial assistance, whether because of bad seasonal conditions or because of a domestic event such as a wedding or funeral, resort to the services of the moneylender. He usually charges a usurious rate of interest, partly because the capital at his disposal is very small and he derives a good part of his own income from such transactions, and partly in order to cover the risks involved in lending to people who are chronically in want. Furthermore, a debt once contracted is so hard to repay that fresh debts are incurred for the payment of interest.

Professor Tawney has the following observations to make on the situation in China:

Moneylending in China is a world in itself, which cries out for investigation. Whether it is to be described, in the mediaeval phrase, as a *vorago iniquitatis,* or as part of the sensitive and delicate mechanism of credit, is a matter of taste. Officials and gentry are one element in it; merchants a second; professional moneylenders, who specialise in the business, a third; pawnshops, a vast and powerful vested interest supported by all three, a fourth; certain types of bank, a fifth; farmers who have managed to lay by a little money and use it to make advances, for a consideration, to their poorer neighbours, a sixth. The ramifications of the system are endless... The principal rural moneylenders are landowners, merchants and dealers, and, though to a less extent, pawnshops. The peasant needs a loan for the work of his farm or for personal needs, to increase the stock or equipment of his holding, to tide over the months before his crops are sold, or to meet the temporary crisis of a wedding or funeral. He gets it sometimes from the dealer to whom his crops are sold, sometimes from his landlord, sometimes from a pawnshop. Customs as to mortgaging of land, the security preferred by lenders, vary from place to place; the land may be pledged, and possession retained by the owner, or it may be temporarily transferred to the mortgagee, who takes the produce as his interest. In some districts he can foreclose immediately when the term of the loan expires; in others he has no remedy as long as interest continues to be paid.

The commonest form of short credit is probably a loan on crops. The farmer gets ready money before harvest, when his resources are

at their lowest, by pledging his prospective crop of rice or wheat or by selling it outright to a merchant before it is cut, at a heavy discount...

Interest at 40 to 80 per cent. is said to be common; interest at 150 or 200 per cent. to be not unknown. Goods pledged are taken at two-thirds of their true value. As far as the poorer peasants are concerned, permanent indebtedness is the rule rather than the exception. They pawn their crops in summer, their farm implements in winter, and their household belongings throughout the whole twelve months. In one village in the neighbourhood of Peiping it was found that 44 out of 100 families borrowed in the course of the year, and in another, 23 out of 64, the average indebtedness being $31 in the first case and $68 in the second... Next to drought, inability to meet the claims of the moneylender is stated, in parts of the country, to be the principal cause of the ruin of peasant families.

It is generally agreed that, before the economic depression of the 'thirties, the extent of the total indebtedness in India exceeded 8,000 million rupees, although the estimates varied as to the actual amount. The average *per capita* debt of the agriculturists was 92 rupees in the Punjab, about 50 rupees in Bombay and Madras, 36 rupees in the United Provinces, and about 31 rupees in Assam, Bengal, Bihar and Orissa, and the Central Provinces. Approximately 27.5 per cent. of the total number of agricultural families in Bihar, 29 per cent. in Orissa, 26 per cent. in Chota Nagpur, 13 per cent. in Sind, 23 per cent. in south Gujerat, and 21 per cent. in north Gujerat were free from debt. One result of the economic depression was a substantial increase in rural indebtedness; it was estimated that by 1933 its real burden had more than doubled. Although the exact position at the beginning of the war is unknown, the total agricultural debt, in spite of various relief measures, probably remained as formidable as a decade previously. Moneylenders are reported to provide as much as 33.4 per cent. of the total available rural credit in the United Provinces, 82.7 per cent. in the Central Provinces, and 31 per cent. in Madras.

The need to meet the charges on former liabilities is an important factor in the continuous addition to the burden of debt, for investigations made some years ago showed that it accounted for 18 per cent. of the total amount of indebtedness in Bihar and Orissa, 26 per cent. in the Central Provinces and Berar, and 25 per cent. in parts of Madras. Debt incurred for social reasons such as marriage and other ceremonials in

these provinces amounted, on the other hand, to 19, 14, and 10.5 per cent. respectively. Recourse is also had to borrowing for the maintenance of the family and there is little doubt that a very large proportion of the debt is incurred for unproductive purposes.

Legislation in India for debt regulation dates back to 1879, and a vigorous effort was made, especially in the late 'thirties, for the scaling down and settlement of the debt, which, as has been seen above, had swollen considerably as a result of the depression. These measures, though useful, have proved insufficient.

As previously remarked, a substantial proportion of the land in Burma has come into the hands of moneylenders. This large volume of rural indebtedness may be accounted for by the breakdown of the customary restraints against usury, the introduction of legal notions which might be appropriate to a more developed economy, but were hardly suited to the existing conditions in the country, and the substitution of commercial for subsistence farming. It should be noted, however, that after the slump of 1930 many accumulated debts were wiped out by foreclosure and facilities for incurring long-term debts were curtailed.

The indebtedness of the primary producer is as extensive in Ceylon as in other Asiatic countries. Although the maximum rate of interest prescribed by law is 15 per cent, the official economic surveys show that rates of interest up to and even exceeding 18 per cent. are charged in a number of areas.

The situation in Indo-China seems to be no less difficult. The normal rate of interest on private loans to agriculturists in that country was reported several years ago to be between 24 and 36 per cent. In drawing attention to these usurious rates, Mr. Robequain has remarked:

> It is not in the creditor's interest to have early repayment, and he tends to encourage the peasant in his carelessness, postponing repayment of the debt year after year; the interest is paid in the form of a fraction of the harvest, which may be handed over in kind or immediately converted into cash. When the yield is not sufficient for this purpose, the land itself provides security for the claim. The Annamite rarely agrees to give up for good the land in which his ancestors are buried and which will enable his children to fulfil the necessary rites towards his own spirit, but he is prepared to sell it subject to a clause guaranteeing the possibility of repurchase. Many

holdings are thus alienated in point of fact and the small landowners spend long days of labour solely for the benefit of their creditors. Very often tenant farmers and share farmers are also heavily in debt, and in Cochin-China interest charges frequently represent a third of the price for which the rice is sold. The loans reach the farmer through several intermediaries and in this way the rice fields are crushed under a load of debt.

It was to remedy this situation, at least for small landowners, that the agricultural credit funds of the People's Credit Office were first set up in 1933 and were gradually extended to all the provinces. These funds lend money to members on the security of their land at moderate rates: 10 per cent. for a short-term, 8 per cent. for a medium-term, and 6 per cent. for a long-term loan. The case of share farmers, however, who are unable to resort to this credit system and must obtain any advances they need either from the owner of the land or from a moneylender, remains a difficult one.

Conditions in Siam and Indonesia seem to be much better in comparison, although in these countries too the petty financier has been much in evidence in recent years. In Siam, where a common rate of interest on advances to a villager at the beginning of the harvest season is 25 to 30 per cent., the Government has sought to remedy the situation, directly, by the remission of taxation and the institution of co-operative societies and agricultural credit banks, and indirectly, by the promotion of education, health services, irrigation, prevention of epidemic diseases among livestock, and so forth. In Indonesia, vigorous measures for the perpetuation of customary restraints on usury and land alienation have been taken by the Government.

On the other hand, in the Philippines, notwithstanding the adoption of legislation to prevent usury, the practice of charging rates of interest ranging from 60 to 200 per cent. a year seems to persist if only because the tenants, who often borrow from their landlords, are not sufficiently well acquainted with their rights. However, in 1939, an Agricultural and Industrial Bank was established by the Government in the hope that the extension of credit to farmers on easy terms would result in the gradual elimination of usury. In 1941 a Farmers' Loan Division was set up in the Department of Labor to administer a loan fund of 1,000,000 pesos.

It is hardly possible to exaggerate the evil effects of rural indebtedness on the economy of Asiatic countries, but there is little hope of a permanent amelioration of the situation until productivity in general and the effective demand for goods and services increase.

The Effects of the War

It is necessary to add to this brief survey of the living conditions of the rural population in Asiatic countries a few remarks concerning the impact of the Second World War. The available information is perforce scanty and the conditions no doubt differ from one area to another. In China and India, the largest, most populous, and economically among the most developed of the Asiatic countries in the Far Eastern region, the weakness of the existing structure of the national economy was fully demonstrated by the war. When in 1940 a large portion of the fertile tract along the coast of China was occupied by the enemy and the means of communication with the outer world were virtually cut off, the need to augment the country's food supply became urgent. A large amount of additional land was brought under cultivation by the irrigation projects put into operation by the National Conservancy Commission established by the Executive Yuan, the payment of land revenue in kind was authorised, and particular attention was devoted to rural development. Inspired by the Three People's Principles laid down by Sun Yat-sen, in which the well-being of the rural population is placed in the forefront of the programme of the National Revolution, the Government and the dominant political parties made agrarian reform the prime object of their endeavour.

In India, mainly as a result of the war, measures for the control of food prices and rationing of daily necessities have been adopted.[1] The Central as well as the provincial Governments have taken steps to increase the food supply. Special grants and loans are made by the Central Government to the provincial Governments to increase the area under food crops, if necessary by diverting some of the land under cash crops to that purpose. A Department of Food has been instituted

[1] For particulars of the wartime food situation in India, see I.L.O.: *Wartime Labour Conditions and Reconstruction Planning in India* (Studies and Reports, N.S. 2, Montreal, 1946), pp. 8-15.

in the Central Government, and periodical price control and food conferences, consisting of Government representatives as well as non-official representatives, are held.

While it is difficult to measure the effect of the Second World War on the rural population in Asiatic countries, in China and India at any rate, notwithstanding the numerous difficulties which had to be contended with, the countryside enjoyed a mild spell of prosperity as a result of the wartime demand for recruits to the armed forces and industry as well as various other services. The additional volume of employment consequent upon the war has been computed for India as a whole at approximately 5 to 6 million jobs. An investigation into the impact of the war in twenty villages in the Punjab might perhaps be cited as an instance, although it cannot be regarded as typical even for India, for this is a province in which recruitment for the armed forces was particularly heavy. These twenty villages occupied 26,800 acres of land, 86 per cent. of which was under cultivation. Their inhabitants numbered 17,213 persons, of whom 3,692 were males between the ages of 15 and 50. The occupational distribution of the working population was as follows: cultivators, 56 per cent.; cottage industries, 15 per cent.; farm hands, 7 per cent.; and miscellaneous, 22 per cent. As many as 924 men, or approximately 25 per cent. of all the men in these villages, joined the armed forces, and 380 others left the villages for employment elsewhere. The exodus seems to have caused a shortage of trained or experienced cultivators, but no lack of manpower properly so called. The monetary income thus accruing to the countryside was not accompanied, however, by a corresponding increase in goods and services, with the result that prices rose to unprecedented levels.

In Ceylon the war created an acute shortage of labour; it is estimated that there was an addition of at least 100,000 persons hitherto not gainfully employed to the labour force, while a further 100,000 moved from civilian employment to work under the services. The stoppage of normal sources of supply of rice and other food requirements of the island led to rationing, price control, and the intensification of local food production.

Finally, it may be observed that the wartime inflation of agricultural prices has probably had the effect of eliminating a substantial part of the agricultural debt, thus providing a valuable opportunity to rebuild the rural economy on firmer foundations. The co-operative movement in the province of Madras reported in 1945, for instance, that the members of agricultural credit societies had been repaying their loans in increasing numbers and amounts, while at the same time there had been a rise in the percentage which the loans issued for cultivation expenses formed of the total loans issued.

The Landless Labourer

The position of landless agricultural labourers, who are on the fringe of the rural economic structure, calls for special consideration. One feature of the decline in rural economy to which attention has been called above is the increasing mass of landless agricultural labourers. In the provinces bordering on the Yellow River in China, for instance, where the yield is low and only fairly large farms are remunerative, a relatively large number of farm hands are employed. In 1926, the proportion of farm hands to the total working population on the farms in north China was, according to an estimate made by Professor Buck, 4.1 per cent. on the smaller farms, 13 per cent. on the medium-sized farms, and 31.8 per cent. on the larger farms, and the corresponding figures for central and east China were 4.5, 15.7, and 20.1 per cent., respectively. An investigation made in 1935 in three villages near Wusih showed that about 8.6 per cent. of the total labour force of the moderately well-off peasants consisted of farm hands, while the corresponding figure in the case of the more prosperous peasants was 22.8 per cent. Farm hands in China are often poor agricultural workers who cultivate small bits of land, either belonging to them or held in lease, but who have to seek other work besides in order to make both ends meet. Landless agricultural labourers properly so called are comparatively few in number in China. In the rice-growing region of Kashing, between Hangchow and Shanghai, for instance, a survey carried out some time ago showed that out of a total of 7,582 men engaged in farming, the hired labourers numbered only 202, or 2.7 per cent. It is hardly possible to estimate the income of such

workers, especially in the present circumstances, but as they have only intermittent work, it probably does not amount to more than that of the poorer peasants. The agricultural workers are not always paid in cash. Sometimes they are paid in kind, and in some parts of the country, as, for instance, in parts of Kwangsi, barter arrangements of one kind or another, or systems of mutual aid or of exchanges of services, seem to be common.

In the case of India, it is interesting to recall that as far back as 1880 the Famine Commission observed that "the numbers who have no other employment than agriculture are greatly in excess of what is really required for the thorough cultivation of the land". This observation was in effect repeated fifty years later by the Royal Commission on Labour in India, which in its report remarked: "Over large parts of India, the number of persons on the land is much greater than the number required to cultivate it and appreciably in excess of the number it can comfortably support. In most areas, pressure on the land has been increasing steadily for a long time and a rise in the general standard of living has made this pressure more acutely felt." The growth of the rural proletariat, which has been attributed to "the loss of common rights in the rural economy, the disuse of collective enterprise, the subdivision of holdings, the multiplication of rent-receivers, free mortgaging and transfer of land, and the decline of cottage industries", is indeed a striking feature of the Indian economy. The landless agricultural labourers numbered 7.5 million in 1882, 21.5 million in 1921, and 35 million in 1933; in 1944 they were estimated to number 68 million, or 17 per cent. of the total population. Between 1921 and 1931 they increased from 291 to 407 per 1,000 cultivating farmers. In Madras, the rural proletariat increased between 1901 and 1931 from 345 to 429 per 1,000 cultivating farmers, and in Bengal it increased from 1,805,000 to 2,719,000, or by 50 per cent., during the decade 1921-1931.

The landless agricultural workers in India constitute the main source of labour supply for tea, rubber, and other plantations, for seasonal employment on the larger estates, and the harvesting of cash crops, for the smaller food and raw materials processing industries, and for industry generally. On the bigger estates, where such workers are employed on a permanent basis, their wages may vary from 60 to 100 rupees a year, but are a

great deal less for intermittent work for the smaller owners. A survey of some South Indian villages made in 1936-1937 showed that the current wage for a full working day of 8 to 10 hours was 3 to 5 annas for men, 2 to 4 annas for women, and an anna to 2 annas for boys. Wages are usually lower in dry than in wet areas, and they are as a rule paid in kind for harvesting. It is, however, customary to pay in cash for transplantation, weeding, and other occasional operations. In the case of construction work, whether public or private, on which such workers are usually employed, wages are usually paid in cash and at piece rates. While farm servants and other retainers may be said to be reasonably secure, even if their living standards are low, the landless labourers lead a precarious existence.

Although the landless labourer in Burma is very poor, his condition is somewhat relieved by the fact that during his period of employment he is almost invariably treated as a member of the farmer's family, there being no hard-and-fast line between the employing class and the labouring class in agriculture. Women form a very high proportion of the casual labour force, and they do not desire permanent or whole-time occupation since that would interfere with their household duties. The wages of the seasonal labourer are theoretically paid in kind at harvest, and therefore during the greater part of the year he has to subsist on credit. This is obtained either by discounting seasonal wages for cash at high rates of discount or by borrowing from village shopkeepers, small moneylenders, etc., at ruinous rates of interest.

In Ceylon, according to the official economic surveys, as many as 44 per cent. of the total number of agricultural families in the districts covered are landless. Population pressure, especially in the Western Province, has also led to a number of landless workers drifting to the towns for work in industrial occupations and to the estates for work on plantations. The situation is further aggravated by the fact that over large areas of the island cultivation can be carried on only in one season and workers have to find subsidiary employment as labourers during the remaining portion of the year. Efforts to ease the situation have taken the form of Government acquisition of private lands and transfer to landless villagers.

A similar situation prevails in other Asiatic countries. In the south of China, in Java, in Tonkin, in fact, wherever re-

cruiting has been the customary method of obtaining the labour needed for the mines and plantations of less populated areas, it is the rural population in particular which, driven by need, forms the main source of labour supply for industry and for employment abroad. It may be noted that the report on agricultural reconstruction adopted by the Asian Relations Conference makes the following observations regarding landless labour:

> There is also the special problem of the landless agricultural labourers who constitute the depressed class even among the general agricultural community. Their numbers are growing in many Asiatic countries owing to the pressure of population and the failure of agriculture to give a remunerative return. Any scheme of agricultural reconstruction must take into special account the needs of this class. An ideal solution, of course, would be to give landless labour possession of land; in any event, steps must be taken to ensure for them an equitable share of agricultural income.

Movements of Population

The movements of population from Asia to non-Asiatic countries and even from one country to another within the confines of the continent are limited by numerous restrictions. Such restrictions tend to accentuate further the pressure of population on the land, more particularly in certain parts. It has to be borne in mind that in south-east Asia more than half the entire population of the world is crowded into 4 per cent. of its area. In the last century, it was customary to look upon some of the crowded Asiatic countries as a convenient source of labour supply for the less congenial tasks connected with the economic development of certain areas in Africa, Oceania, and the Western Hemisphere, or in Asia itself. A system of indenture was instituted, by which the workers were bound to remain in the employment for which they were recruited during a specified period, and at the end of that time they might either return to the places of their origin or settle in their new homes. The system gave rise to many abuses, and for various reasons neither the emigration nor the immigration countries desired to perpetuate it. At the present time, the emigration of peoples of Asiatic countries is strictly regulated, the movements of any large body of workers are carefully planned, and suitable machinery for the promotion of their welfare is usually

set up by close consultations between the public authorities of the emigration and immigration countries.

Some of the Asiatic countries, as, for instance, China and India, are, however, so large that the mobility of labour within these countries themselves is a sufficiently important question to need some consideration. Even in the comparatively smaller countries this question demands close attention, owing to the lack of adequate means of communication and of economic development generally.

In China and India, the labour supply for industry, which is mainly localised in urban areas, is drawn for the most part from rural areas. The movement of rural workers to industrial centres is caused not so much by the attraction of the cities as by the pressure of population on the land in the country. A substantial proportion of the industrial workers keep up the connection with their native villages through periodical visits. Only a few have any land of their own left in the villages, and the connection with the countryside is most often maintained for family or social reasons. In some cases they return to their homes for the busy season, and in other cases they return when they have succeeded in paying off their debts or have accumulated gains sufficiently large to enable them to tide over a few months or years of persistent pecuniary difficulties. Except, of course, where as sometimes happens, the original links have been attenuated by prolonged absence or family feuds, the village home is the unfailing resort in times of physical disability or mental discouragement. The link with the countryside which characterises industrial labour in China and India has its advantages as well as disadvantages. It provides a much needed supply of funds to the countryside from urban areas in the form of remittances from industrial workers to their relatives, or of the savings of returning natives, and what is perhaps no less valuable, it facilitates the penetration of urban influences of independence and improved ways of life into isolated parts in the interior. It also provides a haven of refuge to the industrial worker in times of sickness or in his old age. But, on the other hand, the industrial worker naturally tends to look upon his urban existence with its restraints and discipline of organised employment as a temporary, if disagreeable, phase from which escape may one day be sought into the wonted freedom of his native village. This factor, more

than any other, probably accounts for the large incidence of absenteeism which is a marked feature in industrial undertakings in many Asiatic countries.

During recent decades, as a consequence of unsettled conditions, the movement of population has been of considerably greater magnitude in China than in India. Since the introduction of railways in Manchuria and Inner Mongolia, large numbers of peasants have moved to those parts from Shantung, Hopei, and Honan. This large-scale emigration to the wide open spaces in the north has attracted much attention, but there have also been many movements of population in areas south of the Great Wall. A survey made by the Ministry of Industry in 1935 showed that, out of a total of 40 million families in 1,000 districts in 22 provinces, no less than 1,900,000 entire families had left their native villages, and that members of some 3,500,000 additional families had likewise moved out. Approximately 13.5 per cent. of all the families in the region, and over 50 per cent. of those in southern Shantung, western Hupeh, and northern Anhwei, had been affected by the migratory trend. The migrants were for the most part persons between the ages of 19 and 45 years, and a good proportion of them consisted of men between 30 and 35 years of age, as, for instance, in the case of 24 per cent. of migrants in 24 villages in four widely separated districts of Kwangsi. The investigation showed further that 29 per cent. of the migrant families consisted of those of peasant proprietors, while 35 per cent. were those of tenants and 19 per cent. of landowners. These families, however, found it difficult to persist in their customary occupations in their new homes. The majority of the former tenants would appear to have become landless agricultural labourers, or to have gradually moved to urban centres, the men to become transport workers (rickshaw coolies, for instance) and the women domestic workers. The immediate causes of the displacement of workers on this scale were natural calamities such as drought and floods, together with the unsettled conditions due to internal strife, but the deeper cause is undoubtedly the widespread and extreme poverty of the rural masses, for even in the best of times they live on a precarious margin of subsistence. The effect of the war in China should be considered against this background. The war added the element of political insecurity to the social and economic in-

security described above. The total number of persons displaced from one area to another in China since the commencement of Sino-Japanese hostilities probably runs to several million. A few months before the conclusion of the war in the Far East, according to an estimate made by the National Relief Commission, the refugee population in various parts of the country, assisted and unassisted, totalled about 40 million. The Commission also came to the conclusion that approximately 24 million of these refugees would continue to be in need of assistance for some time after the war.

In the case of India, the exodus from rural to urban areas may be accounted for by one peculiar local characteristic, in addition to the pressure of population on the land and the decline of rural industries. The peculiarity consists in the traditional social exclusion of certain classes of population known variously as "depressed classes", "scheduled castes", "harijans", "panchamas", "adidravidas", "chamars", or "bhangis". They number as much as about 10 to 15 per cent. of the total population and represent the oldest strata of the indigenous inhabitants of the country. They have been, until comparatively recent times, confined to menial occupations, and are still subject, especially in rural areas, to serious social disabilities arising from prejudice on the part of the privileged sections of the community. In the more cosmopolitan atmosphere of the towns, they are able to merge into the crowds and secure many openings which are denied to them in rural parts. It should be added that an unusually large number of persons belonging to these communities secured comparatively lucrative employment as a result of the war, and their experience in the armed forces and other services is likely to stand them in good stead in the assertion of their claims for social equality. In the last decade or more, largely as a result of the political awakening in the country, this problem has received much attention and popular Governments in the provinces have been active in taking legislative measures to protect these communities. It is also noteworthy that the fundamental rights adopted in the proposed Constitution to which reference has been made above[1] include the recognition of the social equality of all individuals by the legal prohibition of untouchability.

[1] See p. 23.

In the past half century or so, in many parts of southern and eastern Asia and some of the islands of the Pacific Ocean, labour imported from China, India, and Japan has been employed for economic development, more particularly for the building of roads, railways, and harbours, as well as large-scale cinchona, rubber, sugar, and tea plantations and tin and other mining operations. By far the larger part of the Asiatic emigrants abroad are to be found within the confines of the Far Eastern region. The total number of immigrants from China, India, and Japan in the different parts of the world are estimated at 10, 4.1, and 1.9 million, respectively. Of this total, approximately 69 per cent. of the Chinese are distributed in Siam, Indo-China, Indonesia, Malaya, the Philippines, the Pacific islands, Borneo, and Hawaii; 76 per cent. of the Indians in Burma, Ceylon, Indonesia, Malaya, and Fiji; and 72 per cent. of the Japanese in Manchuria, Korea, Saghalien, Formosa, China, Hawaii, the Philippines, Malaya, Borneo, the Pacific islands, and Indonesia.

A word should be added about the migration of Asiatics to lands outside Asia. Such emigration was always limited in extent in consequence of the legal restrictions, as well as of practical difficulties. In recent years, and particularly since the economic depression during the inter-war period, the emigration has virtually ceased. Outside Asia, Chinese communities are to be found mainly in Australia, Canada, and the United States, while Indian communities are mostly scattered in the outlying parts of the British Empire, such as islands of the Indian Ocean, East and South Africa, the Caribbean coast and, to a very small extent, Canada. The Filipinos have tended to migrate to neighbouring lands and particularly the United States and Hawaii ; and parts of the South American continent, mainly Brazil, contain small but well-organised Japanese settlements.

Findings of the Asian Relations Conference

It may be noted that the report on agricultural reconstruction which was adopted by the Asian Relations Conference in New Delhi in March-April 1947 sums up the main common characteristics of the agricultural situation in most Asiatic countries as follows:

(1) Divorce between ownership and cultivation and the predominance of landlordism.

(2) The existence of plantation estates in some countries like Ceylon and Malaya, which involve not only divorce between ownership and cultivation, but also foreign ownership of the produce of the soil. In some countries there is also the problem of foreign and absentee ownership of agricultural land.

(3) Low yields per acre.

(4) Uneconomically small and fragmented holdings.

(5) Absence of scientific methods and mechanisation, and use of primitive implements.

(6) Insignificant use of fertilisers.

(7) Prevalence of burdensome agricultural debt.

(8) Small proportion of the gross value of agricultural products accruing to the actual tiller of the soil.

(9) Dependence on export markets for sale of a large proportion of primary products and raw materials, and the resultant instability in agricultural prices and incomes.

(10) Low return of exchange obtained in manufactured goods against the sale of raw materials.

(11) Inadequate development of resources allied to agriculture, such as those of fisheries and animal products.

(12) Pressure of population on land and consequent underemployment in agriculture.

(13) Drain of ability from villages to towns, and reluctance of urban intelligentsia to migrate to the rural areas owing to the absence of conditions of living in villages comparable in attractiveness to those in urban areas.

The raising of the standard of living of the primary producers—of all those who are engaged in agriculture, cottage industries, and handicrafts—is indisputably one of the most important economic and social problems confronting the countries of Asia.

But the problem is not exclusively Asiatic; it is broadly international, and few problems, perhaps, reveal more clearly the indivisible nature of social progress. It is obvious that the low standard of living, the low average of individual real incomes, and the low purchasing power of about half the earth's population affect world economy and concern the standard of living of all categories of workers everywhere.

It is not only that an increase in the purchasing power of the peoples of Asia would create a huge market for the products of other nations, or that an improvement in technical methods (contributing to, but also accompanying and following, a rise in the standard of living) would increase the quantity and quality of

certain goods and make them more accessible to more of the world's consumers. In addition, and perhaps even more important, is the fact that the poverty of the primary producers of Asia can be a direct threat to the employment, wages, working conditions, and standard of living of the workers of other countries, since this poverty affects the conditions of competition on the international market. In nearly all the Asiatic countries, the low purchasing power of 80 to 90 per cent. of the population means that there is a very limited demand for the industrial goods and services provided by the remaining 10 to 20 per cent. These countries are therefore compelled to turn to the export trade as their industrial activity develops. The basis for such exports, at any rate before the Second World War, was low production costs, the result, in some instances and to some extent, of a particularly advanced technical, industrial, and commercial organisation, but also, and most frequently, of low wages. These low wages were themselves a consequence of the poverty of the rural areas, which not only creates a supply of cheap labour for the factories, but enables wages to be kept low (by western standards) because the exceedingly low prices received by the primary producers keep down the cost of living of the industrial workers, who consume indigenous products almost exclusively. The raising of the remuneration and standard of living of the primary producers, and thereby of the wages and standard of living of the industrial workers, would therefore rid international competition of a factor which brings about some of the effects of dumping.[1]

The problem of raising the standard of living in Asiatic countries has yet another international aspect. For, apart from some special characteristics due to geographical and historical conditions, it comprises, in the final analysis, the same essential elements as make up the problem of all peasants and handicraftsmen in all countries. The fact that in the Asiatic countries the problems of the primary producers are more serious and acute than elsewhere only makes their study the more necessary.

[1] The low purchasing power of the mass of consumers would prevent any commercial dumping in the ordinary sense, which involves higher prices on the home market than on foreign markets. The extraordinary inflation of prices in several Asiatic countries—China, in particular—has radically affected their economy, since the costs of production have become too high for continued export trade. At the same time, the home market remains restricted owing to the low purchasing power of the masses and the importation of foreign goods is facilitated by their relatively low cost.

The foregoing survey of the conditions of life and work of primary producers in Asiatic countries has necessarily covered a very wide field, and in presenting it the Office has had in view the important position occupied by the workers engaged in such production in these countries. The survey will, however, have served to show that the improvement of the conditions described represents a very considerable undertaking and that it involves not one, but a large number of problems. The entire field of public health and public instruction needs to be developed, and the task calls for the willing co-operation of the rural population. The necessary funds can only be derived from an improvement in productivity resulting from an intensive exploitation of the economic resources. In devising measures for the organisation of the local economy for expansion, the immediate possibilities in each particular area have to be clearly discerned and an order of priorities has to be established. The determination of such a programme of action must necessarily take account of political considerations, which differ from one area to another. The public authorities in each area are consequently in the best position to draw up a programme of this kind.

Two broad questions of common interest to Asiatic countries in the Far Eastern region might, however, be briefly indicated: (1) What immediate measures, designed to improve the condition of persons engaged in agricultural pursuits, can the public authorities in the different countries adopt? (2) How far can international assistance prove beneficial to Asiatic countries in promoting the prosperity of their rural population?

On the first of these questions—the nature of the immediate measures designed to improve the condition of persons engaged in agricultural pursuits, which the public authorities in the different countries might adopt—there is a large measure of agreement despite the differences of opinion as to the form of social organisation to be aimed at, in existing conditions, for the consolidation and reinforcement of the rural economies of Asiatic countries. One expert with close familiarity with rural conditions has suggested the following points: close control of rents at a low level; provision of credit at reasonable rates, including strict control of private moneylenders, especially the small men; prevention of alienation of agricultural land to non-agriculturists and recovery of land already so alienated;

organisation of marketing of agricultural produce; stabilisation of agricultural prices; improvements in agricultural methods and use of fertilisers, including especially experiments in mechanisation, followed by large-scale mechanisation of farms on a collective basis; improvement of seed and introduction of subsidiary crops or new staples; encouragement and organisation of subsidiary sources of income; replacement of the small village shopkeeper, who usually also acts as a moneylender, by retail co-operative societies; control of pests, infestation and cattle disease; large-scale development works to improve drainage or to provide protection, flood control or irrigation; soil erosion control; and improvements in animal husbandry.

Attention may also be drawn in this connection to the policy statement on agrarian reform which formed one of the four statements adopted by the Sixth Kuomingtang National Congress in May 1945 at Chungking and which is mentioned in the last chapter of this Report. It will be noticed that the points dealt with in this statement closely correspond to the points mentioned above. In India, as in China, the pressing need for the amelioration of the condition of the agriculturist is fully appreciated, and measures for the betterment of rural conditions constitute a prominent feature of the first five-year post-war reconstruction plans prepared by the provincial Governments. An interesting experiment proposed by the Bombay Government, for instance, is the adoption of four different types of projects: special priority projects (plans for the training of personnel for the administration of development projects); all-province projects (projects extending to all the districts and designed to prepare the way to more intensive development subsequently); particular area projects (projects such as irrigation or anti-malaria projects suitable only for certain areas); and concentrated area projects (projects for a concerted drive for an all-round development of selected areas in various parts of the province) with the object of achieving immediately visible and measurable results which may prove to be a stimulus for future development.

Another illustration of direct Government action to promote the well-being of the agriculturists may be found in Ceylon, where a scheme of rural development was initiated in 1940 by the Department of Industries and Commerce. In pursuance of this scheme, rural service centres have been set up in 55 places

—47 conducted by the Government and 8 assisted by it. There are also 21 extension units. Two or three trained officers are placed in charge of each centre, with a view to instructing the people in the area by precept and example of the possibilities for economic development and the improvement of cottage industries. Attention is also paid to environmental hygiene and other aspects of the welfare of the rural population.

Initiative of the kind described above is sometimes taken also by private bodies, with the active support of the public authorities. There seems to be a considerable body of opinion in Asiatic countries which holds that, pending the development of the co-operative movement and a much wider recognition among the rural population of the value of self-help, it is indispensable that special efforts should be made by the public authorities and by influential voluntary associations to assist in the development of the countryside. Reference to the report prepared by the Office on item IV of the agenda, the Economic Background of Social Policy, including Problems of Industrialisation, will be found useful in considering some of the economic aspects of this question. It is for the Conference to decide whether ways and means of action, official or unofficial, other than through co-operative organisation, for the amelioration of rural conditions should be considered in greater detail with a view to the formulation of precise recommendations on the subject.

As to the second question—the extent to which international assistance might prove beneficial to Asiatic countries in promoting the prosperity of their rural population—it may be noted that this is dealt with at some length in the report on item IV of the agenda. In this connection, it has been observed that in the case of some of the smaller countries of south-east Asia, at any rate, the intensive exploitation of their economic resources cannot by itself be expected to bring about an improvement in the standard of living of the rural population. In these countries, the area of cultivable land is limited, and consequently the greater proportion of their expenditure on food has to be paid for by exports, which consist for the most part of special products, such as tea, rubber, vegetable oils and oil products, and fibres. Adequate and guaranteed prices for these products on the markets of industrialised countries are therefore regarded as an important, if not indispensable, factor

in any effort to raise the standard of living of workers engaged in primary production.

Co-operative Organisation as a Means of Rural Reconstruction

The urgent need for rural reconstruction in Asiatic countries is now widely recognised in these countries themselves as well as abroad, but this problem is not a new one, and the war has only accentuated it. It is closely linked with the problem of industrialisation and does not lend itself to any simple solution. Long-term as well as short-term measures are clearly needed. Past experience and the consensus of opinion of experts in social work in Asiatic countries, alike, suggest the suitability of co-operative organisation for implementing such measures. The co-operative method is entirely democratic in character and is being regarded with favour in increasing measure by representative opinion in these countries. It is therefore proposed to consider here in some detail the past achievements, present position, and future possibilities of the co-operative movement as a means of rural reconstruction.

General Features of the Co-operative Movement

Rural reconstruction has been defined by a Commissioner for Rural Reconstruction in the Punjab as—

> ... the learning, the practising and the teaching of the art of living in a village. It includes everything relating to the welfare of villagers, and is concerned with every activity of village life, or that which affects village life. Its objective is the increase of happiness and, of course, the health, wealth, comfort and amenities of the village are its main concern.[1]

Its objects and its methods involve not only technical and economic, but also educational progress and a raising of the social standard of rural populations. In the words of another of the many students of the problem, it "aims at building a new rural civilisation".

This definition of rural reconstruction is sufficiently comprehensive and may be taken as a starting point. But the most important element to be considered in the formulation of social

[1] F. L. Brayne: "The Better Village Movement in the Punjab", in *Indian Co-operative Review*, Apr.-June 1937.

policy is not its precise content but the means selected for its execution. The question arises whether rural reconstruction should be effected by compulsion or by persuasive methods only. The Report of the Preparatory Committe of the Intergovernmental Conference of Far Eastern Countries on Rural Hygiene, which was held shortly before the outbreak of the Second World War, contained this statement:

> No remedy or plan of work, however, well conceived, or well intentioned, can effect the desired changes and improvements for the well-being and happiness of the rural population unless there is genuine desire on the part of the people in the rural areas to accept them and voluntarily work for them. No legislation, no efforts can help those who are not determined to help themselves.

A few other statements from the same source are cited below because of their appositeness, not only with reference to rural hygiene, but also to rural reconstruction generally, and because they are widely supported by informed opinion in such countries as China, India, Ceylon, Malaya, Siam, and Japan. In these countries the need to proceed with rural reconstruction on a voluntary basis by educational efforts is repeatedly emphasised:

> The village improvement scheme is based on the view that no effective progress is possible without the co-operation of the villagers themselves, and that the first task is to rouse in them an interest and a desire for improvement of their condition...
>
> Public health work has passed from the period when police methods were employed to one when persuasion and co-operation are the watchwords for successful achievement. With the inauguration of health unit work in Ceylon in 1926, the collaboration of the people has been kept to the forefront. It has been recognised that a prosecution gets only one thing done, and at the same time creates an enemy, but if persuasion could achieve the same result, not only is the work being done in a permanent manner, but the goodwill of the people is being secured...
>
> Compulsion in matters of rural hygiene and sanitation, except for limited periods in limited areas, is rarely practicable and is usually resented. The improvements suggested, if adopted through fear of penalty and not in expectation of benefit, are usually abandoned if supervision is relaxed. Hence collaboration of the population is essential if there is to be progress.

As rural reconstruction requires the support of the rural population, it calls for educative efforts designed to enable the rural peoples to help themselves and improve their way of living. It is not of course a question of merely theoretical or intellectual

learning. What is needed is organisation by means of which the peasants can not only be told what to do and how to do it, but also provided with the means of betterment. Such voluntary efforts need to be collective, and the co-operative movement is particularly valuable as being designed to bring about social and economic improvement by team work and in a spirit of self-help.

It may be noted in this connection that the 12th Conference of Registrars of Co-operative Societies in India, held at New Delhi in December 1936, considered, for instance, that—

> ... the co-operative movement should be used to the fullest possible extent compatible with its principles for extending the rural reconstruction movement, having regard to the fact that it is the best and in many areas the only means for providing the organisation without which the rural reconstruction movement cannot expect to be permanent.

This view was repeated in a review of the co-operative movement in India in 1939-40 made by the Agricultural Credit Department of the Reserve Bank of India and published in Bombay in 1941:

> No official organisation could hope to reach the mass of the population except through the medium of co-operative associations; it is through these that the cultivators could be induced to take to better seed, improved methods of cultivation, better care of cattle, better sanitation, etc. The co-operative organisation should, therefore, be the instrument of Governments in their efforts to improve the economic conditions of the people.

In his foreword to this Report, Sir Manilal B. Nanavati, the Deputy Governor of the Bank, went so far as to say that "the movement can be developed so as ... to become the chief instrument of rural reconstruction in India".

The approach to rural reconstruction in China is similar, as will be seen from Professor J. B. Tayler's study of the subject, *Aspects of Rural Reconstruction*, published in 1936 by the Department of Economics of Yenching University, Peiping.

The co-operative movement has developed in all parts of the world on a considerable scale, as is shown in the most recent general statistics available—those for 1937. At that date, the International Labour Office reported the existence of over 810,000 co-operatives with an aggregate membership of over 143,000,000 in about a hundred territories. The countries of Asia (except

the U.S.S.R.), that is to say, principally China. India, and Japan, with a much smaller contribution from Siam, Indo-China, Indonesia, Malaya, and the Philippines, accounted for 168,000 societies out of this total, with a membership of 14,868,000.

A characteristic of the co-operative movement which deserves mention is its federal structure. The primary co-operative societies, grouping individuals and families, associate in turn and form federations for economic and educational purposes. In this way the benefits normally derived from large-scale financial, administrative, and technical concentration are made available to the smallest component units of the federal structure, which is not only a source of strength to the constituent units, but is also useful for contacts between the public authorities and individual homes and farms.

The various ways in which the general principles set forth above have been and are being applied in practice may now be considered.

Types of Rural Co-operative Organisations

Labour contracting co-operative societies and the co-operatives concerned with land settlement are two types of co-operative societies which are of particular interest to the large number of landless labourers in most rural areas of Asia.

Labour Contracting Co-operatives

These societies possess no capital, but they undertake to carry out definite tasks, the charges for which are shared by the members among themselves according to the rules and methods adopted by each society. Societies of this kind enable the landless labourers to organise themselves and acquire bargaining power. They are to be found, for example, in India, mainly in Madras where there are 26 (including 19 rural societies) with 2,000 members.

Co-operatives concerned with Land Settlement

In some of the countries in which landless agricultural workers have been increasing in numbers in recent years, there are also uncultivated lands which, under certain conditions, can be brought under cultivation. This is the case in China,

India, and Indonesia, and probably in other countries as well.

These uncultivated lands are usually unirrigated or marshy land or else jungle. They have to be prepared for settlement. It may be noted in this connection that in Siam, for instance, the Government took steps to facilitate the establishment of colonisation co-operatives in 1938 for work preparatory to settlement; at the end of 1946 there were 44 such societies. In India, various Governments have adopted a policy of promoting agricultural colonies to be run on co-operative lines. Altogether it is proposed to absorb about 34,000 ex-servicemen in different land colonisation schemes. The organisation of "land credit co-operatives" in Szechwan, Kansu, Kwangsi, Hunan, and Fukien is being promoted by the Farmers' Bank in China.

Allotment, Land-Leasing, and Joint Cultivation Societies.

Whatever may have been their origin, such co-operatives may in any country function as allotment societies, in which case they purchase land and break it up into lots, to be transferred to the members as their own property. Or they may assume the form of land-leasing societies which buy or lease land for the purpose of renting it in smaller lots to the members. Or they may specialise in joint cultivation, and, having acquired or leased one or more pieces of land, work them as a single undertaking.

Between the co-operatives which facilitate the acquisition of an individual or family holding and those which promote large collective farming, there are various intermediate types of organisation in which certain operations are undertaken on an individual basis, while others are done jointly.

The methods of co-operative cultivation of the land which are widespread in such countries as Bulgaria, Italy, Palestine, and the U.S.S.R., and are also found, for example, in Canada, France, Mexico, Spain, and the United States have aroused interest in Asia, particularly in China, India, Siam, and Japan.

In China, there are instances of co-operative farms set up through the land credit co-operatives when individual agriculturists are not in a position to buy a particular piece of land or where an estate is too big to be cultivated by a single family. Special regulations governing their establishment were promulgated in February 1946, which, besides defining the mutual rights and obligations of members, also confer certain privi-

leges on co-operative farms in the matter of purchasing or renting land owned or taken over by the public authorities and unowned land.

The development of land credit co-operatives in India has been advocated by Mr. Jawaharlal Nehru, and it is noteworthy that the Co-operative Planning Committee of the Government of India has recently recommended a system which consists in joint management of the land in a village by the villagers without any transfer of ownership. Experiments on a small scale in co-operative farming are being made in the provinces of Bengal, Bihar, and Madras and in the States of Baroda, Cochin, and Hyderabad. Co-operative farming has lately assumed great importance in view of the legislation proposed in many provinces for the abolition of zamindari[1] landlordism.

In Siam, the Government sponsored a new type of co-operative enterprise—the land hire-purchase society—in 1936, making some 1,600 acres of land available for purchase by four societies. The individual holdings are paid for by the members of the societies in 15 annual instalments. At the end of 1946 there were also 19 mixed farming colonisation societies, with over 400 members farming 2,800 acres of land (rice, soya beans, and tobacco cultivation); 16 cotton colonisation societies, with 332 members; and 9 salt colonisation societies, with 140 members.

The peasant allotments made under the Ceylon Land Development Ordinance since 1935 are organised on co-operative lines in the case of the largest schemes; these include 8 major colonisation schemes with 1,837 members and an area of 13,478 acres, and 7 out of the 19 estates purchased for village expansion.

In Japan, there were several hundred co-operatives of the land credit type in 1938.

Irrigation, Land Reclamation and Anti-Erosion Societies.

Whatever their form, co-operatives concerned with land settlement have often had to deal, either directly or through other ancillary societies, with irrigation or drainage. The distribution and utilisation of water are matters of prime importance in countries where agriculture is "a gamble in rainfall".

[1] See above, p. 7.

(Out of the 29 million acres under cultivation in the province of Bengal, little more than one million are artificially irrigated. President Chiang Kai-shek has said in his book *China's Destiny*, that China needs a system capable of irrigating 100 million mows of cultivated land.) Even when extensive work has to be undertaken by the State or under its control, irrigation co-operatives can play a useful part in distributing water to the individual holdings. But very often the work to be done is of such a kind that the co-operatives undertake it themselves. For instance, the irrigation co-operatives of western Bengal which were started in 1919 and numbered over 1,000 by 1937, undertake the re-excavation of reservoirs which have filled up and also build new ones. In the Punjab, these co-operatives clean the irrigation canals. Co-operatives of the same type are also found in Bihar and Orissa, Madras, Mysore, and the United Provinces. In Siam, such societies were first organised by Government initiative in 1936; by the end of 1946 there were 10 irrigation societies with 800 members. They appear to have contributed considerably to the raising of productivity.

The Co-operative Planning Committee of the Government of India has recommended the formation of anti-erosion and land reclamation societies which should work in close relation with forest departments. 400 such societies, with 12,000 members, already exist in the Punjab.

Consolidation of Holdings Co-operatives.

Mention should also be made of the co-operatives formed for the special purpose of the consolidation of holdings, which have been found successful where there is already a fairly well developed co-operative movement that has gained the confidence of the rural population. The Punjab is a pioneer in this field. In that province, a co-operative of this type has as its function the drawing up of plans for consolidation with the help of an inspector of lands; the plans are submitted to all the persons having rights in the land in question for their approval, which must be unanimous; otherwise the plans are rejected. The co-operative is able to obtain this approval more easily because it is composed of persons who know each other and are used to acting in common. By 1939 more than one million acres had been consolidated in the Punjab: the consolidation also made it possible to dig hundreds of new wells and to irrigate thou-

sands of acres for the first time, to provide sites for school buildings, playgrounds, roads, and manure pits. In the view of C.F. Strickland, the ease with which several Indian provincial Governments were later able to introduce consolidation laws requiring only the consent of a majority for the operation of a consolidation scheme was due to the educational value of these voluntary institutions.

Rural Credit and Thrift Co-operatives

Rural credit co-operatives have shown themselves to be particularly well adapted to the distribution of short-term credit and they can also play a part in the distribution of medium-term credit. They are the most numerous type of co-operative, especially in Asia, where they have almost always been the first form of co-operative to be developed. The first Indian law on co-operation, passed in 1904, dealt only with this type of society; its introduction was the culmination of a whole series of measures and studies relating to rural indebtedness which were carried out after the passing of the Land Improvement Loans Act of 1883 and the Agriculturists' Loans Act of 1884. In China, there were in 1944, 74,578 rural credit co-operatives proper and 46,806 co-operatives which included credit activities among their functions. In 1942 there were in India more than 100,000 rural credit co-operatives (with a membership of 6 million and a working capital of 1,000 million rupees) supported by 600 central banks and a dozen provincial banks. In Siam, there were 4,784 rural credit societies at the end of 1946, with over 80,000 members. The total number of credit co-operatives in Ceylon in 1945 was 1,811, in addition to which there were 195 thrift societies. It is stated that there are several hundred credit co-operatives in Indo-China and Indonesia. In the Philippines, there were 570 co-operatives of this type in 1940, with a total membership of 105,000, and the movement has now begun to revive under the supervision and with the support of the Farmers' Loan Division of the Department of Labour. In the five months ending 31 December 1945, 36 farmers' co-operative associations had already been organised, with a total membership of 2,210 and a capital of 310,260 pesos. Before the war the movement was also well developed in Japan.

There are about [redacted] operatives in Bengal, Madras, and Orissa whose main function is the provision of credit to fishermen, and such co-operatives are being organised in Bombay and the United Provinces as well. They are also to be found in Indonesia. Some fishery co-operatives undertake in addition the processing and marketing of their members' catch and also the joint purchase of boats, nets, etc.

It is also one of the main functions of the rural credit co-operatives to promote thrift. In countries such as Burma and Malaya where the peasant is apt to be more reckless in borrowing than, for instance, in India and the Philippines, the establishment of thrift co-operative societies is the first step; the members of these societies bind themselves to save specified sums regularly, preferably for specified purposes. Before the Second World War there were several of these societies among the workers on the rubber estates in Malaya; there are also a few in India. Compulsory deposit of savings has been a feature of the rural credit co-operatives in China and of the urban credit co-operatives in India. Moreover, all credit co-operatives are at the same time savings co-operatives.

The thrift societies and the savings and loan societies are not the only type of co-operative to cultivate habits of thrift and protect the primary producer against indebtedness. There are also the better-living societies, which number 6,700 in India, and are also to be found in Burma. Their main object is to reform some of the social customs which lead to extravagant expenditures on such occasions as weddings or funerals. The reforms are defined by the members themselves, who undertake to pay a fine for any breaches of the self-imposed rules. Some of these societies at the same time act as credit societies, and thus possess an additional means of control over their members. Many of them have also been led to take up the teaching of health rules and the organisation of rural hygiene.

Another cause of unproductive indebtedness is the tendency to litigation, often over trifles, but none the less costly and interminable; the arbitration co-operative societies, the members of which pledge themselves to resort to arbitration in any dispute arising between them, fulfil a useful function in keeping down litigation.

The thrift societies, the better-living societies, and the arbitration co-operatives are useful adjuncts to the rural credit co-

operatives, but they are not sufficient, since indebtedness, as has already been seen, is deeply rooted in the economic conditions, and a great deal more has to be done to relieve the primary producer:

> The "sowcar", whom co-operation seeks to replace, is not merely the usurer. He is the tradesman and the "dalal", as also the adviser and guide of the people there. There is a human bond between the sowcar and the people, and if we would displace him, we must substitute for him an agency that would take his place in every direction, and that would do all that he did, and that too in a better way.[1]

Rural Supply Co-operatives

Particularly in China and India, rural supply co-operatives are being established in increasing numbers, side by side with the credit co-operatives, or allied to them. They provide the necessary technical equipment to enable the primary producer to reduce his costs of production, improve the quality of his produce, and increase its value. The need for such societies is perhaps best indicated by the result of experiments recently made in China, which showed an increase of 42 per cent. in total grain production resulting from the use of improved seeds, of 32 per cent. from the control of insects and diseases, and of 16 per cent. from the use of fertilisers.

Sometimes the rural credit co-operatives themselves endeavour to supply equipment under favourable conditions as regards price and quality. Marked success in the distribution of improved seed has been achieved in India by the cane development societies in the United Provinces, and in respect of cottonseed by the co-operative societies in Bombay. Reference may also be made here to the better-farming societies, which operate along the same lines as the better-living societies. Their members undertake to introduce specified technical improvements on their holdings; sometimes the societies maintain a model farm; often they specialise in producing improved seeds.

With regard to manure, co-operative societies are not only able to provide for the satisfactory distribution of fertilisers, but, as has been suggested, can also undertake the planting of

[1] H. L. KAJI, in foreword to Eleanor M. HOUGH: *The Co-operative Movement in India* (London, P. S. King and Son, Ltd., 1932).

trees with a view to obtaining in due course sufficient fuel for domestic use so as to prevent the wastage of a large proportion of manure now burnt as fuel. It has been estimated that in India nearly 480 million tons of farmyard manure are burnt or otherwise lost each year.

The distribution of machines by sale or hire is sometimes undertaken by the rural supply co-operatives. The Economic Enquiry Committee of the Indian State of Sangli recently recommended that the use of costly machines should be organised on a co-operative basis.

Co-operative societies specialising in animal husbandry are another type which may be considered under the present heading. There are 824 co-operatives in India (739 in the Punjab alone) devoted to improved cattle breeding. The members undertake not to allow their animals to be served by any bull other than one selected by the society or the Veterinary Department. Some societies or their members maintain stud bulls. Such societies can be valuable agencies for carrying out programmes drawn up by the Veterinary Department for the prevention and treatment of cattle disease, or by the Forest Department for relieving fodder shortage through controlled grazing.

Consumers' Co-operatives

Another type of purchase co-operatives is that of consumers' co-operative societies. Until recently these were not conspicuous in rural areas in Asiatic countries. In fact, apart from a few notable exceptions, such as the Triplicane Co-operative Society in Madras, they had not really taken root before the last war. Some credit co-operatives, however, had already begun to distribute to their members articles of household consumption as well as supplies for agriculture or cottage industries.

But war conditions, price increases, and speculation stimulated this type of co-operative, particularly in China, India, and Ceylon. In China, at the end of 1944, there were 4,782 consumers' co-operatives proper and 33,628 other co-operatives which included the distribution of consumers' goods among their functions; they represented 13 per cent. of the total number of co-operatives of all types in the country, compared with only 1.4 per cent. in 1940. In the province of Madras in

India, there were only 85 consumers' co-operatives on 30 June 1939, but by 30 June 1945 the number had grown to 1,286, with 408,000 members; of these, 763 were rural stores, with 145,000 members. There were also 21 district wholesale stores. In the province of Bombay the number of consumers' co-operatives rose from 38, with 11,069 members, to 106, with 28,858 members, between June 1942 and June 1943. Similar progress has been reported in the Central Provinces and Berar, Orissa, Mysore, and Travancore. The available figures for the Indian provinces as a whole indicate that the number of consumers' societies increased from 408, with 16,000 members, in 1939-40 to 3,539, with 6,000,000 members, in 1943-44. In Siam, the number of consumers' co-operatives, though still low, increased from 6 in 1938 to 66 in 1946. Between April 1942 and April 1945 the number of such co-operatives in Ceylon rose from 38 to 4,042, and their membership from 17,675 to 1,033,228. In the Philippines, the number of consumers' co-operatives is 878, all organised after 1945.

In China, India, Ceylon, and the Philippines, consumers' co-operation has been encouraged and even assisted by the Governments, which resorted to it for the purpose of facilitating distribution in the abnormal wartime conditions. The unusually rapid development of this form of co-operation is thus partly due to temporary causes. The agricultural supply co-operatives and the agricultural marketing co-operatives improve and standardise production, and the consumers' co-operatives are a valuable adjunct to them, in as much as they can take further steps to ensure that the produce, more particularly foodstuffs, is of the required quality when it reaches the consumer. They could do more, and, like some of the large co-operative organisations in Europe and America, could become instruments of nutritional education.

Agricultural Marketing Co-operatives

Perhaps the chief role of the agricultural marketing co-operative is to sort and grade products of varying quality coming in small lots from a large number of scattered holdings, so that they may be marketed in bulk. Moreover, through the technical and economic co-ordination of the innumerable units of the agricultural economy, the marketing co-operative

makes possible and available to these units all the processes of simplification and cost reduction.

It is for these reasons that the marketing co-operatives proper have developed in the Asiatic countries in recent years, continuing and improving the marketing operations previously started by the rural credit co-operatives and the general supply and sales co-operatives.

In China, these co-operatives formed only 2 per cent. of the total number of co-operatives of all types in 1940; the proportion had reached 10.6 per cent. by the end of 1944.

A similar development is taking place in India with the support of the whole organised co-operative movement; co-operatives for marketing livestock, tobacco, potatoes, cotton, fruit and other commodities have been established. The 14th Conference of Registrars of Co-operative Societies, held in the middle of 1944, recommended the establishment of a chain of co-operative marketing organisations, one for each suitable area, as also federations of these marketing associations, either for particular commodities or for particular areas, and an All-India Co-operative Marketing Organisation embracing the various federations. Similarly, the Joint Session of the Standing Committees of the All-India Co-operative Institutes' Association and the Indian Provincial Co-operative Banks' Association, also held in 1944, recommended that efforts should be made to organise co-operative agricultural marketing societies in all parts of the country where they did not already exist and to develop the work of existing societies. It suggested that, wherever possible, arrangements should be made to link up the work of the credit societies with that of the marketing societies and to use the latter for the supply of domestic and agricultural requisites as well. Recently, the Government Co-operative Planning Committee recommended as a target that within ten years 25 per cent. of the total annual marketable surplus of agricultural produce should be sold through co-operative societies, and that for this purpose 2,000 marketing societies, 11 provincial marketing societies, and, ultimately, one All-India Marketing Association should be organised. It may be noted that provincial marketing societies already exist in Bombay, Madras, and the United Provinces.

In Siam, there were 52 marketing co-operatives in 1945, most of which dealt in rice. In Ceylon, the number of marketing

co-operatives rose from 18 in 1940 to 71 in April 1942 and 105 in 1945. Before the war, there were already rice marketing co-operatives in Burma, co-operatives (of small growers) for the preparation and sale of rubber and for the marketing of copra (with common copra kilns) in Malaya (former Federated Malay States), and co-operatives for the marketing of tobacco, rice, hemp, livestock, and coconuts, and their by-products in the Philippines. In the course of recent years, co-operatives have also been established in Indo-China for the grading, conditioning, and sale of tea and tobacco, for the making of rope and coconut fibre, and for the development of stock farming; it is stated that their mere existence has led to a general price rise of 50 per cent. apart from normal price variations, and that "they participate closely in the work undertaken by the technical services to make the farmer improve the quality of his raw products ...; they replace the small producers who lack industrial equipment when it comes to the proper preparation, cleaning, and standardisation of the products of the latter."

Other Forms of Rural Co-operatives

The co-operative movement can extend its activities beyond the strictly economic interests of the peasant household and undertake tasks in the sphere of health or general welfare or even outside the immediate circle of the individual or family and bring to the rural community the equipment and amenities which it lacks. In this field too, the rural credit co-operatives often play an important part, either directly or by promoting, through the grant of loans, the establishment and operation of specialised co-operatives.

Among these more or less specialised co-operatives, at least the health co-operatives should be mentioned. In Asia they have assumed two main forms: the better-living societies and the anti-malaria societies. As has already been remarked many of the former are engaged in rural sanitation and hygiene work. This is particularly the case in the Punjab and the United Provinces, which have nearly 6,000 out of the 6,700 societies of this type in the Indian provinces. They organise their members for improving roads, digging wells or cleaning villages. In addition, they teach and practise the rules of hygiene and combat epidemics. In some cases they have built small dispensaries

The anti-malaria co-operatives have developed mainly in Bengal, where more than 1,000 of them are grouped in a central organisation. They undertake the cleaning out or filling up of the breeding-grounds of the anopheles mosquito, jungle clearance, the improvement of watercourses, the distribution of quinine, and the like. In the Punjab, at the end of 1943-44, there were 101 health and medical aid societies, with a membership of nearly 15,000, working with the aid of grants from the Government and local bodies. They gave treatment to over 500,000 members and non-members. Ex-servicemen who have been trained in medical, sanitary, and anti-malarial services would provide excellent members for societies engaged in anti-malarial and public health work.

In Japan, before the war, there were some 800 co-operatives and 10 federations with health activity as their sole or partial function; these societies had a total membership of about 500,000.

In China, the co-operatives have combated opium-taking (and also gambling and other wasteful habits); more recently, various special measures have been taken, mostly on the initiative of the industrial co-operatives (described below), such as installing baths, assembling a rudimentary first-aid outfit, cleaning the village, and building latrines, etc. As the co-operatives develop, they establish small clinics, provided with a few beds and, sometimes, an operating room, and staffed with some nurses and quite often with a doctor attached to them. They dispense such drugs as they can obtain, and some of them have inoculated members of industrial co-operatives as well as non-members against smallpox, typhoid fever, and cholera. At the end of 1943 there were 23 fair-sized clinics of this kind as well as 5 small hospitals. Finally, in certain areas, especially in the south-east, these co-operatives have organised sickness insurance: for a small monthly contribution the members of the industrial co-operatives and their families are entitled to medical care, free medicines, and nursing service.

Among the co-operatives contributing to the amenities of the rural community, mention should be made of the electricity co-operatives. It is true that they are hardly known in Asiatic countries, though quite recently at Likiang in the Chinese province of Yunnan, a co-operative with 1,000 members, who provided the necessary capital, has planned to supply current to

the workshops of industrial co-operatives and to private homes. But it is not improbable that they could be set up and developed if extensive programmes of rural electrification are carried out, since such an undertaking, which involves the investment of considerable sums of capital and the deployment of numerous technical capacities and at the same time has to reach a large, poor and scattered population, naturally calls for a division of labour and for collaboration between the public authorities and the persons directly concerned. Using a variety of methods, the public authorities (or large companies in the richer countries) might provide the financial means, technicians, plans, and general control, undertake the large operations, and produce the power. The consumers of the current, grouped in co-operative societies, might maintain and supervise the power lines and ensure distribution.

Multi-Purpose Societies

Since 1937, when the Agricultural Credit Department of the Reserve Bank of India drew attention to the question of organising multi-purpose societies, a strong body of opinion appears to have been formed in India in favour of the view that there should be a single institution where the villager should be able to go in order to satisfy his various needs. This society should be able to touch all, or at least most of the aspects of village life. Not merely should marketing and credit be linked together, but the village society should cover all such activities as supplying producers' and consumers' goods, and such miscellaneous activities as movements for better farming, better living, improved public health, etc. So far, however, there has been no attempt to organise these societies on any considerable scale.

Cottage Industries and Handicrafts

Most of the forms of co-operative society suited to the agriculturist are also helpful to the persons dependent on cottage industries and rural handicrafts, who have much the same problems to contend with. The technique of these workers needs to be improved; they have to obtain credit, raw materials, equipment, and a market for their products; and when they are unorganised they are dependent, like the peasant, on a

middleman who supplies them with credit, with their industrial requirements, and often with consumer goods, and who buys the product of their labour. When they decide to free themselves from this dependence and to solve their problems by their joint efforts, they turn to co-operative organisation. That is why there are found among them credit co-operatives, supply co-operatives, marketing co-operatives, and also workers' productive co-operatives, which are comparable to the co-operatives for joint cultivation found in the agricultural sphere. All these forms of co-operatives exist in varying numbers and at different stages of development in Asiatic countries, but detailed consideration will be given here only to two different but typical instances: the Chinese "industrial co-operatives", selected because they are the best known and have aroused much interest; and the co-operative organisation of the handloom weavers in India, since the handloom industry is of great importance in that country.

The Chinese Industrial Co-operatives

As is known, Chinese industrial co-operatives arose out of the situation created by the war. In the first place there was the loss to China of almost the whole of its modern industry concentrated in a few coastal cities, coupled with the virtual impossibility of importing goods at reasonable prices; further it was necessary to reconstruct the country's means of industrial production; and, lastly, some 60 million refugees had to be found employment.

In the autumn of 1938 the idea of setting up the largest possible number of small co-operative workshops—mobile and spread throughout the country—received considerable encouragement. The movement was originally conceived by an American missionary, Mr. Joseph Bailie, and was promoted by Mr. Rewi Alley of New Zealand, then Factory Inspector for the Shanghai Municipal Council, both of whom devoted themselves entirely to the work.

While adequate statistical information is not available, it is known that the number of registered industrial co-operatives rose from 69, with a total of 1,149 members, in December 1938 to 1,738, with 25,683 members, at the end of March 1944. It should be mentioned that the membership figure does not show

the exact number of persons employed, and that allowance should be made for seasonal workers in addition.

It seems, however, that the movement has not yet attained the development envisaged by its sponsors. Inflation and restricted capital resources have made it difficult to obtain fresh supplies of raw materials, and co-operative activity has been greatly impeded in consequence. A large number of the industrial co-operatives have had to close down owing to the depressed market, high production costs, and the repatriation of refugee members. At the end of 1946, only 282 co-operatives and 18 federations were actually in operation. They are situated mainly in the south-west and north-west provinces, where there is still a good local market. Other societies have suspended their activities until conditions improve. In the north, a few co-operatives have been set up in collaboration with the Chinese National Relief and Rehabilitation Administration.

However, co-operative activity is far from being negligible. During 1944 the monthly production of these co-operatives averaged 74,791,377 Chinese dollars.[1] Some 250 different articles were turned out, such as blankets, towels, cotton cloth, silk goods, hosiery, leather goods, flour, soap, candles, medical supplies, paper, pottery, glass, dry cells for batteries, boats, matches, toothpaste, printing presses, looms for textiles, cigarettes, artificial limbs, etc. The co-operative units were also engaged in mining coal, iron, gold, wolframite, and asbestos, and in carrying on such other activities as printing, running oil presses, power plants, and foundries, and transport services. The textile co-operatives employ the largest number of members (36.7 per cent. of the total), followed by the co-operatives making chemical products (20.2 per cent.) and the mining co-operatives (7.1 per cent.). In the textile branch alone, 2.5 million blankets were reported to have been supplied to the Army by the end of 1942.

The movement was a spontaneous one, and one of its guiding principles has been to utilise local raw materials and (with the exception of Government orders) to produce first for local needs. Its activities have been built on the traditions of handicraft industry, which was already threatened by Japanese competition. But the movement quite rapidly and generally improved the handicraft technique, often by copying and then

[1] In value at current prices.

manufacturing certain machines or machine parts imported for the purpose. In the handloom industry, for instance, the substitution of an iron for a wooden gear reduced to one hour the work which formerly occupied one day. Similarly, a slight modification made in spinning wheels enabled four times more yarn to be produced wherever this inexpensive improvement was introduced.

As far as possible, the raw materials, semi-finished products, and machines pass directly from the co-operatives turning them out to the co-operatives that require them.

These small scattered co-operatives have moreover been gradually welded into a federal system. Besides the three large regional federations (north-west, south-east, and south-west federations), smaller ones were formed on a district basis. The district federations have set up schools, hospitals, dramatic societies, and sports clubs, and some of them have established supply and marketing stores and credit and savings departments. These departments raise loans, distribute credit to the co-operatives, and encourage saving among them. The supply and marketing stores provide the co-operatives with raw materials and collect their products for marketing. They also help to co-ordinate activities and to introduce a measure of planning and standardisation into co-operative production.

This description would not be complete without a reference to the importance which these co-operatives attach to their educational activity. Besides elementary courses organised for children, who are themselves often grouped in school co-operatives, and schools for the training of technicians and leaders, there are 2 (formerly 7) Bailie schools in which courses lasting 2 to 4 years (in arithmetic, geography, singing, mechanics, mining, weaving, tool manufacturing, etc.) are provided for carefully selected boys between 12 and 18 years of age. During the second half of 1946, a new programme was launched. Courses lasting two weeks to a month were held in five cities for the training of officers and members of co-operatives and federations, and it was planned to extend them to other centres in 1947. Scholarships have also been offered to some promising boys to gain technical experience.

Thus the movement, even if it has not fulfilled the ambitions of its founders, is nevertheless strongly established, and has succeeded in building a complete system. Its contribution to

the war effort has received official recognition, and in the opinion of those who have had the opportunity of observing it at first hand it has created a type of organisation which can help to provide a sound basis for China's industrialisation. This view was supported by President Chiang Kai-shek in a message which he sent to the industrial co-operatives on their fifth anniversary:

> The organisation of the C.I.C. is especially fitted to undertake the task of industrialising the rural areas, and the Government will do everything it possibly can to help. . . I want you to go on and work harder than ever and help build a firm foundation for the economic prosperity of China.

In view of the difficulties encountered after the war, a conference of leading members, held in February 1946, decided that a C.I.C. Planning Committee should be set up, and that the general policy in the immediate future should be to consolidate the movement by developing industrial co-operatives preferably in secondary cities, border regions, and rural districts, on the basis of available local resources and markets, and by devoting all major efforts to strengthening the existing sound and promising co-operatives and federations and rehabilitating those of good standing which had been forced to evacuate or to dissolve owing to the hostilities.

It should also be stressed that despite its present imperfections and its slow tempo of development, the movement has been much remarked in America, Europe, and Asia. In the United States a body known as the American Committee in Aid of Chinese Industrial Co-operatives ("Indusco") has been established. There is also an Anglo-Chinese Co-operative Committee, which provides funds, technicians, and equipment. An International Committee for Chinese Industrial Co-operatives has been established in Shanghai. Nym Wales' book on the movement, *China Builds for Democracy*, has appeared in an Indian edition, to which Mr. Nehru has contributed an introduction. In Bombay a group of social workers have established an Industrial Co-operative Association to foster the development of industrial co-operatives on the Chinese model. Recent information from Tokyo indicates that such co-operatives are to be organised in Japan.

Handloom Weavers' Co-operatives in India

Apart from agriculture, the handloom industry is the largest single industry in India. Like the other handicraft trades and

cottage industries, the hand textile trades adapted themselves to wartime needs. Army blankets alone, ordered in the different provinces and States by the Government Supply Department, numbered 1,880,000 during 1941-42 and 2,847,300 during 1942-43, and the weavers had also to produce camouflage nets, ropes, towels and other commodities. The alteration in the character of their output often necessitated a modification and improvement of their technique.

By associating in co-operatives these handicraftsmen and home workers have sought to free themselves from the trader who is also a moneylender, just as the agriculturists try, by the same means, to escape from the domination of the moneylender who is at the same time a trader. The original—and sometimes still the chief—function of the co-operatives is to provide credit. But it is becoming increasingly common to find co-operatives which supply raw materials and sometimes equipment as well. The worker sells his finished product himself, or else, as more recently, he may hand it over to his society, which thus assumes all the risks of investing in the yarn and of marketing the goods. Some of the co-operatives exercise all these functions together. They but rarely possess a common workshop, and this factor distinguishes them from the workers' productive co-operatives and consequently from the Chinese industrial co-operatives.

According to the Reserve Bank of India's *Review of the Co-operative Movement in India, 1939-1940*, co-operative efforts had achieved comparatively little until 1935, when the Government of India took up the problem of reviving the handloom industry by giving subsidies to the provincial Governments. Though thought by some to be insufficient, the subsidies have led to a revival of handloom weaving, especially in the provinces of Bengal, Bombay, Madras, the Punjab, and the United Provinces and in the States of Hyderabad, Jodhpur, and Mysore. This revival has been accompanied and aided by the establishment of new co-operatives and, more particularly, of federations. In the Punjab, there were 356 handicraftsmen's co-operatives at 31 July 1941. In the province of Madras, the number of handloom weavers' co-operatives rose from 132 in 1937-38 to 311 in 1944-45, working 27,000 looms; and since the foundation of the Handloom Weavers' Provincial Co-operative Society, the value of handloom products sold in-

creased from 49,000 rupees in 1934-35 to 17,444,000 rupees in 1944-45. This Society, which had been reorganised in 1943 at the suggestion of the Government, obtained these results in spite of many difficulties, particularly as regards the supply of yarn. It possesses its own dyeing factories, 5 in all, and a screen printing factory, and it undertakes marketing through 39 retail stores. It has equipped 3 handloom factories as experimental workshops.

Development of Industry by Co-operative Organisation

The organisation of agriculture and handicrafts on a co-operative basis is of special importance in Asiatic countries which are bent on industrialisation, but where the conditions do not seem to lend themselves to industrial development on the lines that this has taken in the past in western Europe or North America. Asiatic countries have settled populations with traditions reaching back to ancient times. They are, for the most part, densely populated in relation to their present resources, and it is of the utmost importance that their manpower should be fully utilised and that the social consequences of any economic development should be carefully taken into account. Industrialisation in these countries is, however, likely to be influenced to a much larger extent than in the case of western Europe, by the development of electricity rather than by that of coal resources. In short, as leaders of opinion in Asiatic countries have themselves admitted, in planning industrial development in these countries, concentration in a few, thickly populated urban centres should be avoided, and decentralisation should be the aim. Co-operative organisation will be found to be a valuable method to attain this end.

Promotion of Small Industries

Mention has already been made of the large measure of official support extended to the Chinese industrial co-operatives. Not only did the Minister of Finance, Dr. H. H. Kung, become President of the Chinese Industrial Co-operatives when that association was founded on 5 August 1938, but the industrial co-operatives receive Government loans and subsidies, assistance from Government technical and research services, facilities for obtaining raw materials, and orders from Government de-

partments. In Ceylon, a Standing Sub-Committee of the Board of Ministers, appointed to submit detailed proposals for unemployment relief, included among its suggestions, alongside the establishment of new major industries, the setting up of new cottage industries and the expansion of existing ones. In Indo-China, the Handicrafts Credit Bank, established by a Decree of 15 April 1940, gives encouragement to co-operatives of blacksmiths, papermakers, potters, metal founders, and other craftsmen, and tries to co-ordinate their activities in accordance with a general plan of production. In order to meet the needs of the cottage and small-scale industries in Indonesia, the Government had instituted before the war a very extensive educational service with a large number of consultation offices and a big staff of technical and economic instructors, as well as a corps of travelling vocational teachers. It also gave assistance through a Fund for Small Industries.

A large number of reconstruction plans have been adopted in India by semi-official organisations as well as public bodies. Besides the granting of subsidies by the Government of India, to which reference has already been made, and the similar action taken earlier by some of the provinces and States, some other instances may be mentioned. In Bengal, there is a plan for the development of the handloom industry, under which agriculturists would be trained to adopt this industry as a supplementary occupation. Bombay has a plan for the development of the handmade paper industry. In Hyderabad, the Finance Member of the Nizam's Government has urged the necessity of devising a bold but practical scheme for increasing the productive capacity of the villagers, and indicated that a scheme of cottage industries based on raw materials locally available is essential for solving the production problem; the cottage industries programme would require scientific research assistance and management on a sound commercial basis. In Mysore, the Government's Cottage Industries Committee at its meeting held in July 1944 resolved that the work on the manufacture of improved pottery and paper making by hand should be intensified, that more units of machinery for the manufacture of buttons and paper should be manufactured, and that more village smithy centres should be started. It also resolved to request the Government to reserve the capacity of the latter's Central Industrial Workshop solely for the manufacture of

cottage industries machinery. The Director of Industries informed the Committee that his department would arrange the supply of raw materials needed for home industries for women, depute instructors to guide them, and afford facilities for marketing their products.

As early as 1934 an Industrial Financing Committee was appointed in the United Provinces to report on ways and means of developing cottage industries; in 1940-41 the Industries Department gave effective encouragement to the weavers' co-operatives, and a Central Marketing Board dealing directly with the Supply Department was established, as a means of aiding some 700,000 handloom workers threatened with unemployment by the lack of millspun yarn and art silk from Japan. In the Punjab, in order to relieve unemployment and assist industrial development, the Industries Department has helped to train young men to start small industries, by giving grants for the purchase of tools, implements and appliances to enable the recipients to tide over the early stages of their career. In the provinces of Bombay and Madras, district industries officers have been appointed, with the duty, in Bombay, of supervising new and existing cottage industries and of providing the cottage workers with a small working capital and implements on suitable terms; and in Madras, of helping in the administration of the various orders for the control of prices, production, and distribution, and of bringing into being an organisation equipped and prepared to aid demobilised soldiers to set up cottage industries. In Madras, such officers also have to guide the various cottage industries in the districts and to collect and disseminate commercial and industrial intelligence. In Mysore, the Cottage Industries Committee decided at the end of April 1942 that experts should be put at the disposal of certain cottage industries and that facilities should be given to specified handicraftsmen to improve their technique by periods of apprenticeship in a large undertaking.

In India as a whole, there has been the work of research, experiment, and education done by the All-India Village Industries Association, and the creation, in a number of provinces, of weaving centres, with demonstration staffs attached to them. More generally, in all the provinces, Government assistance has been given in the training of handicraftsmen

and in efforts to improve their equipment, particularly by replacing throw-shuttle looms by fly-shuttle looms in the handloom industry.

Almost everywhere, too, co-operative organisation has been utilised for consolidating or promoting home industries and encouragement has been given to the co-operative movement. In its post-war plans the Government of Bombay proposes the extension of the co-operative movement for the rehabilitation of the cottage workers and small-scale industrialists; nine district industrial associations have been established, whose object is to sell raw materials to weavers as cheaply as possible, to advise them regarding the production of new qualities, designs and patterns, to supply them with improved implements and to market their finished goods on the hire-purchase system. Later, it is intended to widen the scope of these associations so as to enable them to organise other cottage and small-scale industries and also to establish similar associations in other parts of the province of Bombay, including at least one in each district.

In Madras, a five-year plan for the handloom industry has been drawn up by the Co-operative Department. The number of co-operative societies is to be increased to 500, thus bringing the number of looms worked to 50,000. Twenty new dye factories and twenty new weaving centres will be established, and four screen printing machines will be installed. The Handloom Weavers' Provincial Co-operative Society will get an assured supply of yarn directly from the mills for distribution to the member societies and through them to the individual weavers. The Madras Government has also planned the organisation of co-operative workshops for ex-servicemen in such fields as general engineering, motor repairing, and the manufacture of brass wares and agricultural implements, constructional goods, and textiles. Money for working expenses will be obtained from the co-operative central banks, as the paid-up share capital will not be enough. The Cottage Industries Committee appointed by the Government of Mysore has recently recommended that successful cottage industry centres might be handed over to private enterprise or to the artisans engaged in those centres, by forming them into co-operative societies and thereby creating a number of producers' societies.

The 5th All-India Co-operative Conference, held in April 1942, adopted a resolution urging the Governments of the provinces and States to try earnestly to increase the production of cloth and encourage the formation of hand-spinners' and weavers' societies on a co-operative basis all over the country, by giving them adequate financial and other necessary help. In the summer of 1944 the All-India Co-operative Institutes' Association and the Indian Provincial Co-operative Banks' Association both expressed their views on this question. The former declared that the time had come for the establishment of a cottage industries organisation society in the various provinces and States, which would be responsible for promoting the formation of industrial co-operatives in rural as well as urban areas, for securing facilities for them in the matter of raw materials, credit, and marketing, and for helping to improve the technique of production.[1] It urged that such an organisation society should be liberally assisted both by the Central and by the provincial Governments. The Co-operative Banks' Association recommended that a committee should be appointed to draw up a programme of industrial development which could be taken up by co-operative societies under the direction of the Central Government, and indicated various measures which could be taken for the encouragement of co-operative industrial (workers' productive) societies. It also recommended that representatives of handloom weavers' co-operative societies should be appointed to the All-India Handloom Board. More recently, on 2 April 1946, the Marketing and Research Committee recommended to the provinces and States a programme for the organisation of the handloom industry, rationalisation of its products, consolidation of existing markets, and exploration of fresh fields for the consumption of handloom fabrics, and suggested organisation on co-operative lines. Finally, the Co-operative Planning Committee of the Government of India has suggested an enquiry into the desirability of setting up spinning mills, owned either by the State or by the handloom co-operatives themselves, for the purpose of ensuring a steady supply of yarn to handloom workers.

[1] Provincial institutions of or for cottage industries, covering other industries as well as the handloom industry, have already been formed in Bengal, Bombay, the Punjab, and the United Provinces, and a State institution has been formed in Travancore.

The suitability of the co-operative method for the organisation of the small units of decentralised industry has been emphasised by the Bombay Economic and Industrial Survey Committees (1939) and by Dr. John Matthai, now a member of the Viceroy's Council, who has stated that "for the small industrialist, as well as for the small agriculturist, co-operation still remains the only effective road to salvation". It is significant that the Cottage Industries Department in Bombay, has been transferred from the Industries Department to the Co-operative Department, and a separate post of Joint Registrar of Industrial Co-operatives and Village Industries has been created. Recommendations along these lines have also been made by the Co-operative Planning Committee of the Government of India.

Industrial Development

It seems necessary to add a brief discussion of the development of industry in general by co-operative organisation, in view of the existing conditions in Asiatic countries, of certain experiments which have recently been made and which have attracted a good deal of attention, and of the prevailing trend of opinion, particularly in China and India, although some of the main problems to be dealt with in connection with industrialisation are considered in Report IV (*The Economic Background of Social Policy, including Problems of Industrialisation*). Here, the approach to the question is from the point of view of the primary producer. The need for industrialisation is, however, taken for granted; as Mr. Nehru has said, "go ahead industrially we must, or we perish".[1] It is merely proposed to examine how and to what extent the existing occupational organisation in Asiatic countries can be developed and modernised by co-operative methods.

As regards India, it may be useful, for an appreciation of the thought which is being devoted to this problem, to cite the following extracts from Mr. Nehru's article:

> I still hold that in India we must push forward both big industry and village industries and co-ordinate the two . . . Any scheme which involves the wastage of our labour power or which throws people out of employment is bad. From the purely economic point of view, even apart from the human aspect, it may be more profitable to use more labour power and less specialised machinery. It is better to find em-

[1] "India Can Learn from China", in *Asia and the Americas*. Jan. 1943.

ployment for large numbers of people at a low income level than to keep most of them unemployed. It is possible also that the total wealth produced by a large number of cottage industries might be greater than that of some factories producing the same kind of goods.

The objective aimed at should be maximum production, equitable distribution, and no unemployment. With India's vast population this cannot be achieved by having big industry only, or cottage industry only. The former will certainly result in much greater production of some commodities, but the unemployment problem will remain more or less as it is, and it will be difficult to have equitable distribution. It is also likely that our total production will be far below our potential because of the wastage of labour power. With cottage industries only, there will be more equitable distribution but the total production will remain at a low level and hence standards will not rise. In the present state of India, of course, even widespread cottage industry can raise standards considerably above the existing level. Nevertheless, they will remain low. There are other factors also which make it almost impossible for any country to depend entirely on cottage industry. No modern nation can exist without certain essential articles which can be produced only by big industry. Not to produce these is to rely on imports from abroad and thus to be subservient to the economy of foreign countries. It means economic bondage and probably also political subjection . . .

This ordered development of industry in India and co-ordination between large-scale, medium and cottage industries, can only be achieved by national planning. . . .

The basic industries and public utilities and transport services should in any event be owned or fully controlled by the State. The measure of control over other industries might be less. But it is desirable that any big industry which might come into conflict with a cottage industry encouraged by the State should be fully controlled by the State.

The use of electric power has made an enormous difference to industry, and it is now possible to decentralise even big industries. This works greatly in favour of small and cottage industries...

Neither India nor China is now going to have a normal capitalist industrial development. Yet go ahead industrially we must, or we perish. We shall have to find our own way, to seek our own equilibrium.

In China, the tradition of *Chung Yung* (the middle way) is likewise a corrective to excessive, concentrated industrialisation and an unbalanced industrialism. Dr. H. D. Fong, who has long been interested in China's industrialisation, expressed this view quite clearly in 1942: "No single form of economic organisation—socialism, capitalism or co-operation—will adequately meet the needs of China in her post-war industrialisation.

Different sectors of China's post-war economy will require different forms of economic organisation." The Chinese Government has on several occasions shown its preference for a pluralistic economy divided into several sectors. At the 27th Session of the International Labour Conference (Paris, 1945) the Chinese Employers' delegate expressed a similar idea:

> In order to put this programme [of relief, rehabilitation and reconstruction] into effect, the Chinese Government is trying to evolve a system of synthetic economy. To state it more specifically, the Chinese economic enterprises will be classified as follows: first, competitive or strictly free enterprises; secondly, co-operative enterprises; thirdly, collective or State-controlled enterprises. In other words, this "three-C" formula for China's balanced economic development may be considered as a form of the middle-way economy, as compared with the economic structure of the U.S.S.R. on the one hand, and that of Great Britain and the United States of America on the other.[1]

Any industrialisation programme necessarily involves a decision regarding the choice of industries to be created or developed. Since one of the main objects is the raising of standards of living, notably by creating employment and developing the production of consumer's goods, it is likely that a place will be given to industries employing a relatively high proportion of labour, including such light industries as the textile, clothing, leather and footwear, rubber, glassware, mechanical, soap and radio industries, various occupations connected with house building, and carpentry and others. To these must be added all the industries engaged in the first or final transformation of certain agricultural products and local raw materials, such as dairies, hand-processed foodstuffs and canned goods, rice mills, sugar factories, fruit factories, ginning factories, sericulture, groundnut oil and other vegetable oils, pottery and slate factories. Finally, there are the industries concerned with the preparation of agricultural requisites; the Crops and Soils Wing of the Board of Agriculture and Animal Husbandry in India[2] recommended, for example, in 1943 that better exploitation of land should be accompanied by plans to develop all natural resources, and that in any industrial programme, priority should

[1] International Labour Conference (27th Session, Paris, 1945) : *Record of Proceedings* (Geneva, 1946), p. 125.

[2] The Board includes agricultural scientists, university professors, administrators, large farmers, and representatives of the co-operative movement.

be given to the manufacture of more efficient agricultural equipment such as fertilisers, farming implements, cane crushers, oil crushers, and pumps for lifting water, and to small-scale auxiliary industries. Such a programme, it is expected, will avoid conflict between India and the industrial West, since the post-war world must be so adjusted as to raise the general level of production in an ever-expanding economy.

All these three types of industry (light industries requiring only a small capital, industries transforming agricultural products and local raw materials, industries for the equipment of the countryside) also meet another requirement of great importance to a new industrialisation effort: that of a ready-made market close at hand. That exists in the shape of the local, regional and national markets whose unsatisfied needs represent an almost unlimited demand.

All or most of these industries facilitate the solution of another important problem—the problem of localisation. For they can and, more often than not, must be set up or developed in the villages or close to them. In this way they have not to overcome the obstacle—which concentrated industry will probably encounter—of a labour force traditionally attached to village life and consequently not very mobile. Moreover, they help to establish or initiate and maintain intercommunication and co-ordination between industry and agriculture, the pressing necessity for which has frequently been recognised.

The Bombay Industrial Co-operatives and Village Industries Conference recommended in November 1946 the development of industries of proved utility which could absorb as many men as possible and make use of available raw materials, and which could be revived in areas specially selected for immediate development. The Conference suggested the following industries: tanning, leather work, smithy and carpentry, dairying, cotton and wool weaving, oil pressing, paddy husking and hand-pounding of rice, beekeeping, coir manufacture, and the processing and preservation of fruits and vegetables.

To sum up, it may be said that a pluralistic conception of the process of industrialisation is evolving, which does not exclude large-scale industrial development, but rather seeks to relate it to the smaller industries. In conformity with this conception the natural resources of the countryside will be fully utilised. According to Mr. Lu Kuang-mien Director of

the North-West Headquarters of Chinese Industrial Co-operatives:

> Such resources cannot be developed, or if they have been developed cannot be managed efficiently, on the old lines of industrial management. Being scattered, they cannot be managed from the top at all. China's industrial problem can only be met by a productive movement springing from the people and the workers, and managed by the people and workers themselves, and this truth is being steadily forced upon us.

It need hardly be added that any such development would require a sufficiently extensive scheme of rural electrification and improvement of the communications system. The need, in the existing conditions in Asiatic countries, for decentralisation in the extension of industrialisation was, it may be noted, particularly stressed by the Asian Relations Conference in the report it adopted on agricultural reconstruction and industrial development.

For the co-ordination of the activities of the individual or family workshops, collective workshops, and other units of decentralised industry with each other and with other branches of economic activity, the co-operative method has been found effective. Among many others, two opinions may be cited. Professor J. B. Tayler has observed: "In an industrial policy of this kind, co-operation will be as fundamental as in agriculture, and it will very largely be the forms of co-operation which have developed in agriculture which will be applicable, with suitable modifications to decentralised industry." And Professor H. D. Fong writes:

> For this form of decentralised, small-scale and handicraft production co-operation seems to offer the best hope for improvement. It affords to peasants and craftsmen alike the advantage of large-scale economy in purchasing, financing and marketing, without affecting the mode of production except in designs and other technical details related to standardisation and improvement in the quality of product.

The federal links which develop quite naturally among co-operative societies are eminently suitable for welding the smaller units into a coherent whole, without absorbing them and without impairing their autonomy. It is through the central organisations which they themselves build up that the primary co-operative societies satisfy their many common needs, such as education, publicity, accounting, auditing of ac-

counts, consultations on legal questions, compilation of statistics, joint purchasing or marketing, production and business operations (insurance, credit, banking). It is not surprising, therefore, that federalisation is particularly stressed in China and India, and that where federations have not yet been established, or are not yet strong enough, the Governments take steps to provide the co-operatives with expert advice, to establish training centres and sales depots, to ensure the supply of raw materials and equipment, and to make credits available.

An interesting instance of the development of an industry by co-operative methods from small beginnings in some villages in the west of Java, cited by Mr. P. H. W. Sitsen, may be mentioned:

A fairly important cottage industry grew up at the beginning of the present century, making agricultural implements for local use. From this, a small-scale industry developed which extended its production programme by making all kinds of cutlery. Here the hammering out of blades, etc., was done in small-scale industrial shops with from four to ten workmen, while the handles, made from horn, bone, wood or tortoiseshell, were made in the sphere of cottage industry. The knives were subsequently assembled in the shops and were sold locally...

Then, through enlightenment and education, a desire for better workmanship grew among consumers, while surplus incomes also stimulated the demand, and this urged the workers in small-scale industry to make better efforts. A number of small-scale shops approached each other for co-operation and within a couple of years they organised some 1,200 workers into a so-called industrial central, or co-operative union.[1]

This industrial central built a finishing plant for the joint account of its members, in which the most skilled workers from various small-scale workshops were brought together and where, also for their joint account, polishing machines, boring machines, tempering furnaces, equipment for nickel and chromium-planting, etc., were installed. The workshops which were co-operating with the industrial central pledged themselves to bring in every week a specified amount of work, such as blades, with the handles made in cottage industry. These semi-finished products were made from materials and models furnished by the central; they were delivered to the central for a reasonable price, jointly decided upon by the members.

At the time of delivery to the central the objects are inspected for quality and form. Badly made pieces are handed back to the shops for improvement; the approved ones are finished and assembled; then

[1] It is noteworthy that in the same period agricultural centrals were also created: tapioca centrals, vegetable oil centrals, etc.

packed and sold to dealers. It was an accepted principle that profits should be shared among the workshops according to the quantity of goods they had delivered, while the elected management of the central exercises a certain authority in deciding the uses to which the money shall be put. In principle, it was agreed that part of the profits was to be spent on better tools for improving the affiliated small-scale shops.

Thus we see the development of a form of industry by which the Indonesians have established a business as complex as that of a big factory, by combining the cottage, the small-scale, and factory industries.[1]

Conditions of Future Development

Time will show to what extent co-operative organisation can contribute effectively to the solution of the problems of rural reconstruction and industrialisation. Enough has been said, however, in the forgoing pages to show that it has a role to play. This is fully recognised by the Governments concerned. As Dr. J. H. Boeke has written: "In truth, it has been discovered that in the field of co-operation the Far East was far better prepared than the West" because of the traditions of social life which have been formed "in the community institutions and in the primitive mutual aid of peoples living on the fringe of the monetary economy".

Some figures will show how the movement has grown. In China, though the first co-operative was established in 1919, the movement only began to develop in 1924, under the impetus of the China International Famine Commission; in 1930 there were not many more than 900 societies with 25,000 members. By June 1946, however, the movement comprised 168,229 societies with an aggregate membership of 18,228,645. In India, there were 146,160 co-operatives with nearly 7 million members in 1942-43; in 1928-29, within twenty-five years of the Co-operative Act of 1904, there were 100,000 societies with 4 million members. "Such striking figures", as Sir Malcolm Darling, formerly Registrar of Co-operative Societies in the Punjab, has remarked, "would not have been possible had the movement been lifeless. In many societies no doubt the tares choke or stunt the wheat, but in many more the wheat is uncommonly good." In Siam, where the Government regarded the co-

[1] P. H. W. Sitsen: *The Industrial Development of the Netherlands Indies* (New York, Institute of Pacific Relations, 1942).

operative movement as "the surest means of establishing the necessary basis for the accumulation of the wealth of the countryside and thereby of raising the people's standard of living and of stimulating production", the first credit co-operative was founded in 1916 as an experiment under Government auspices; in 1929, their number had grown to 91. On 31 March 1941, there were altogether 2,517 co-operatives of various types, with a membership of 40,000; by 1944, the number of societies had risen to 4,747. In the Philippines, the Emergency Control Administration organised 743 co-operatives in 1945. The National Co-operatives Administration, which was recreated at the beginning of 1946, had organised 322 new co-operatives by 7 December 1946, besides reorganising and improving those started earlier. This brought the total number of registered co-operatives to 1,065. In Japan, at the end of 1938, the statistics published showed 15,300 co-operatives with 6.8 million members.

The further extension of co-operation will depend in the first place on the movement itself, that is, on the success it attains in inculcating among the community as a whole the general principles on which it is based, and on the facilities it provides for the training of supervisory and managerial staff. But while it is true that co-operation rests on a voluntary basis, the policy of the State can, of course, favour or retard its development to a considerable extent. The means by which the State can, directly or indirectly, promote the development of co-operation are considered below under three main heads: (1) the liaison between co-operative action and Government action; (2) legislation, auditing, and the teaching of co-operation; and (3) official administrative bodies dealing with co-operation and the degree of autonomy of co-operative organisations. The questions raised under each of these heads might appropriately form the subject of one or more detailed studies.

Liaison between Co-operative Action and Government Action

Where co-operative institutions have attained a sufficient degree of development, and where their policy is in conformity with Government policy, as is often the case, the Government can provide for co-ordinated action. Various large non-profit undertakings for the benefit of a poor and scattered population, such as house building and rural electrification projects in

America and Europe, provide examples of such co-ordinated action. It can also be taken for the establishment or maintenance of an irrigation network It is clearly indicated where the policy is to provide indirect subsidies to agriculture, handicrafts or cottage industries, and to avoid direct loans. The Central Co-operative Bank of China, two thirds of whose capital is provided by the Treasury and one third by co-operatives, is a case in point. Similarly, until recently, the Co-operative Department of the Government of Siam shouldered the entire responsibility for all the credits issued to the rural credit societies, thus acting as a co-operative bank. These functions have now been taken over by the Co-operative Bank, which was set up with a capital of 10 million baht and began its operations on 1 January 1947. In the Philippines, the Farmers' Loan Division, which was originally set up in the Department of Labor in May 1941, was reorganised and began to function again in August 1945. It is responsible for supervising the organisation of farmers' co-operative associations, and is the agency through which the Department extends credit facilities to farm tenants and small farmers.[1]

Where a Government wishes to regulate the marketing of agricultural or handicraft products, or to influence prices or even production, it can grant certain priorities to co-operatives or even assign to them certain public utility functions.[2] Reference has already been made to the use the Government has made of consumers' and other types of co-operatives in Madras and other provinces of India, as well as in Ceylon. It may also be noted that the 14th Conference of Registrars of Co-operative Societies in India (July 1944) recommended that, where co-operative stores are considered by the registrar to be efficient and are willing to take up the work, they should be given preference for obtaining and distributing, both in wholesale and in retail, foodstuffs and other controlled articles and should be appointed as procurement agencies by the Government. The Hyderabad Central Food Advisory Council has recommended to the State Government that co-operative societies should as far as possible replace private traders as custodians of Govern-

[1] This is now a function of the Philippine National Bank.

[2] Numerous examples of such mandates will be found in I.L.O.: *The Co-operative Movement and Present-Day Problems* (Studies and Reports, Series H, No. 5, Montreal, 1945), pp. 207-216.

ment godowns, and that these societies should have a majority of members representing agricultural and consumers' interests. The Sangli State Economic Enquiry Committee has expressed the view that heavy manures should be made available through the agency of co-operative societies acting under the advice of the Agricultural Department, and that wherever possible that agency should be utilised for the distribution of seeds supplied by the Agricultural Department. In the United Provinces, the Industrial Federation for the province has been made the sole distributor of yarn for 21 districts and has received for distribution to its member societies 64 per cent. of the entire provincial quota of yarn.

Finally, another possibility of co-ordinated action consists in the consultation of co-operative societies on matters of economic and social policy or the representation of the societies on bodies responsible for advising the Government in such matters. To give an example, the Indian Co-operative Planning Committee, made up of officials and non-officials, was established to evolve plans for making co-operative development an integral part of schemes for the economic expansion of the country, including the resettlement of demobilised servicemen. The Sixth All-India Co-operative Conference pressed for representation for the movement in the Central, provincial, and State Legislatures. In Baroda State, two seats have already been given to representatives of the movement.

The Government may give direct aid to co-operative institutions in the early stages of their development or when it wishes them to carry out certain tasks. This aid may take the form of financial assistance: short-term loans (one to three years); grants, as in the case of the marketing co-operatives and purchase and sale co-operative unions in Bombay; reduction of railway freight charges; and the placing of orders for supplies, as in the case of the industrial co-operatives in China and of the Provincial Handloom Weavers' Society of Madras.

While Government assistance cannot be entirely dispensed with in the early stages in the countries under review, it is obvious that it should be carefully considered, for as was pointed out as early as 1904 by Lord Curzon, when as Viceroy of India he sanctioned the Act dealing with credit societies: "The best advice and the teaching of experience are at one in the conclusion that unrestricted Government assistance is danger-

ous, and may be a fatal gift." "Prolonged and indiscriminate State aid", says Mr. Henry Wolff, "is destructive of self-help."

Legislation; Auditing; Teaching of Co-operation

Besides direct or indirect financial assistance, there are two main methods whereby Governments can facilitate the work of co-operative institutions and promote their development. They can do more than remove all the legal obstacles to that development; they can also give the co-operative organisations a legal status of their own. Secondly, they can adopt measures designed to assist the co-operative movement in spreading a knowledge of co-operative organising and in training organisers.

Co-operative legislation is found in some Asiatic countries. The auditing of co-operatives is a matter of particular importance. Although the auditing of accounts is undertaken primarily in the interests of third parties, it helps the organisations to develop a sense of responsibility and of self-reliance. Especially in Asiatic countries, it provides an opportunity for the detection of mistakes in management or in general policy. The auditor may thus be also a counsellor and guide. The desirability of making auditing, by Government departments or by co-operative federations, compulsory is a question that calls for consideration. Wherever compulsory auditing has been introduced, as for instance in many European countries, it has greatly contributed to the development of the co-operative movement.

The need for a satisfactory legal framework for the activities of co-operative societies in the non-metropolitan territories has for long engaged the attention of the United Kingdom Government, and the Secretary of State for the Colonies recently communicated (Despatch of 20 March 1946) to the Governments concerned a model draft co-operative ordinance.

It is increasingly recognised that co-operative education and the training of the staff capable of directing and managing co-operative institutions form an essential, if not the most important, condition of future co-operative development. Co-operative undertakings have in their keeping the interests of numbers of small people, and ought obviously to be entrusted to administrators, and even an executive staff equal to the task.

Since co-operatives are controlled by their members, each of whom has both the right and the duty to participate in their administration, it follows that every member should have the means of preparing himself for his responsibilities. Without the intelligent participation of the membership, a co-operative society loses much of its efficiency and of its democratic character.

In China, the National Co-operative Workers' Training Institute was set up in December 1939. It was at first attached to the Ministry of Economic Affairs, but transferred at the end of 1940, along with the Central Co-operative Administration, to the Ministry of Social Affairs. Four different kinds of courses were provided: (*a*) three-month courses for co-operative employees, selected by the provincial co-operative administration; (*b*) a research course of six months or a year; (*c*) a business course covering finance, accounting, sales, etc. (one to three months); and (*d*) a six-month correspondence course. By the beginning of 1943, 1,074 persons had passed through the Institute; 84 per cent. of those graduating were engaged in administrative work in co-operative organisations. Mention has already been made of the courses given in the Bailie schools run by the Chinese industrial co-operatives. Recently, a correspondence school was opened by the Co-operative League of China.

In India, the registrars of co-operative societies have played and still play a large part in this educational work, which is now shared by the larger co-operative federations. An example of such effort, although by no means typical, was the intensive educational programme carried out during 1941-42 by the Co-operative Department throughout the Punjab and Delhi provinces. The staff employed consisted of an educational assistant registrar, 5 inspectors, 5 assistants, and 1 sub-inspectress for the training of women. The classes for secretaries of primary societies numbered 113 and were attended by 1,527 persons; there were 56 classes for officials, attended by 1,827 persons. Training for inspectors was provided in a five-months course, which was followed by 17 candidates who received training in technical and legislative matters. A few short refresher courses for inspectors and assistants were also held. The sub-inspectress conducted 23 classes attended by 206 members and 532 non-members, including 340 schoolgirls; instruction was

also given in handicrafts and domestic economy. The special classes organised for military personnel in the Punjab in 1944-45, to enable them to give co-operative instruction in their units on demobilisation, may also be mentioned.

It should also be noted that several Indian universities give extensive courses on the history and theory of co-operation, on the different types of co-operatives, and on the organisation and working of the co-operative movement in the country. In the Universities of Agra, Calcutta, Lucknow, Mysore, and the Punjab, this instruction is compulsory for obtaining certain degrees.

In Siam, where virtually all co-operative activities are still initiated, supervised, and directed by Government officials, the training of these officials began in 1938; a five-year degree course in co-operation, partly at a preparatory school, partly at the Faculty of Co-operation in Kasetsat University (university of agriculture), has also been established.

In the Philippines, the National Co-operatives Administration has taken up the work of co-operative education and publicity. Its fieldmen meet the members of co-operatives and the public in small groups and explain to them the principles, practice, and advantages of co-operative effort. In 1946, short courses were also given to 154 officials and others in 6 institutes organised for the purpose. It is further proposed to introduce the study of co-operative principles in schools.

It is generally felt, however, that a great deal still remains to be done. It may be noted that in China, the training of co-operative organisers figured prominently in the three-year plan for the development of the co-operative movement adopted by the National Co-operative Congress in 1941. In India, in 1944, the 14th Conference of Registrars of Co-operative Societies adopted a resolution stating that "arrangements should be made for the systematic and adequate training of official and non-official co-operative workers and for co-operative education through the provincial co-operative institutes or departments"; and now the Co-operative Planning Committee, after fully emphasising the need for co-operative education and training, recommends the setting up of independent co-operative colleges and an All-India Co-operative Institute for Advanced Studies to undertake research and the dissemination of information interprovincially. The Institute would be

placed under the control of an All-India Co-operative Council, the formation of which is also recommended.

Official Administrative Bodies Dealing with Co-operation

The provision of assistance, the establishment of an appropriate legal framework, auditing, supervision and guidance, the inculcation of the principles of co-operation, and the training of staffs for co-operative societies, together constitute a wide field for Government activity in support of the co-operative movement. So far as British territories are concerned, it has been the practice to entrust all these functions to special officials, usually the registrars of co-operative societies. The registrar, besides attending to the registration and, where necessary, the dissolution of societies acts as educator, organiser, and auditor: in other words, he fulfils the role normally appertaining to well-developed co-operative federations. These officials need to specialise and should be in a position to devote their whole time and energy to their duties.[1] It was usual to attach them to different administrative departments—quite often to the agricultural service. But experience showed the need for their collaboration on a footing of equality with a number of other departments (labour, trade, education, health, public works, fisheries, finance, etc.). Hence the increasing tendency to make the co-operative services autonomous. In Malaya, the Co-operative Department was autonomous from its inception in 1922; and in Ceylon from 1930.

The active development of the co-operative movement is part of the Government's policy in China. A Central Co-operative Bureau was established in 1935 in the Ministry of Industry, and in 1939 it was reorganised, called the Central Co-operative Administration, and in 1940 attached to the Ministry of Social Affairs. There is also a Co-operative Societies Department in Siam. In the Philippines, the National Co-operatives Administration was created in 1941. It began functioning again in January 1946, as an independent, non-stock Government cor-

[1] For the role and training of registrars of co-operative societies, see, for example, C. F. STRICKLAND : " The Co-operative Society as an Instrument of Economic and Social Reconstruction ", in *International Labour Review*, Vol. XXXVII, No. 6, June 1938 ; and W. H. K. CAMPBELL : *Co-operation for Economically Underdeveloped Countries.*

poration, responsible for promoting, supervising, and assisting co-operative societies.

Degree of Autonomy of Co-operative Organisations

A further problem remains to be considered. The co-operative movement, by its very nature, can thrive only in an atmosphere of freedom and responsibility. Indeed, history shows that Government initiative has been necessary in most Asiatic countries to set on foot and develop the co-operative movement; and it is generally recognised that such initiative, even when it has amounted to central tutelage has had beneficial effects. Yet the ultimate objective remains free association and self-help. As has been said, "the aim of co-operation must always be to teach the people to do something for themselves rather than to do it for them, though the latter would usually be much quicker and easier".

Mr. Lu Kuang-mien, while admitting that in China "the movement is not a spontaneous growth from among the people themselves, it is something imposed upon them from above", points out that "this is an advantage and at the same time a weakness. It is an advantage because without the help of these promotional organisations the movement could never have grown so rapidly. It is a weakness because the people themselves have not been able to take their proper and active part in it." In India, there has been for many years among co-operators a demand for "de-officialisation", and although it is acknowledged that in rural areas ignorance and illiteracy may require the close attention of the registrars and their staffs, it is considered that urban societies, especially the urban co-operative banks, are ready for a relaxation of official control.

The Co-operative Planning Committee in India has emphasised the need for securing non-official support for all Government policies for co-operative development. It has recommended that in each province a co-operative council should be established, composed of officials, representatives of the co-operative movement and other experts, and presided over by the Minister in charge of co-operation; it would be responsible for formulating policies and for development plans and experiments, etc. An All-India Co-operative Council should also be set

up, consisting of two parts, a Governing Body and an Advisory Board. The Governing Body should consist of the provincial Ministers of Co-operation, agricultural and financial experts, officials and non-officials, and should be presided over by the member in charge of co-operation. The Advisory Board should include, besides the members of the Governing Body, all provincial registrars of co-operative societies and industrial co-operatives, representatives of the provincial co-operative councils, and a few others.

As regards some of the other territories in Asia, the following view of the United Kingdom Government, as expressed in the Despatch of 20 March 1946 from the Secretary of State for the Colonies to Colonial Governments, may be cited:

> There is... one direction of development which must clearly be kept in view if the movement is to become and remain vigorous and healthy and to yield the maximum advantage. This direction is the increase in the real independence of the societies. In the early stages of the movement in most colonial dependencies it is inevitable that the societies must rely for guidance in very large measure indeed upon the registrar and his staff. Equally clearly, however, it is not desirable that this state of affairs should for ever be continued and the aim must be to increase that sense of self-reliance and independence which is one of the principal aims of co-operation itself...
>
> In fact, Government help has been and will be necessary to start off a co-operative movement. At the same time, it cannot attain full vigour and health or be administered in a true co-operative spirit until the societies are able to stand by themselves. It is inevitable that in any relaxation of Government encouragement and guidance new difficulties will emerge and undoubtedly there may be failures and disappointments; if we take a long view, we shall appreciate that the growing societies should to some extent be left to learn by making their own mistakes. The policy should therefore be one of cautious but not too cautious experimentation in the gradual relaxation, as the societies gain in experience and competence, of the full supervision which is necessary at the initiation of the movement.

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Most if not all Governments of Asiatic countries have already had some experience of the value and potentialities of the co-operative movement. It may be useful for them to consider in common its possibilities of development, for an exchange of

ideas and joint discussion would give fresh impetus to constructive thinking and supply guidance for a programme of immediate and long-range action on the lines that experience has shown to be sound.

In consequence, the present Conference might wish to recommend to the Governing Body of the International Labour Office the placing of one or more of the following questions on the agenda of the First Asiatic Regional Conference, to be held in China in 1948:

(1) The place of co-operation in social policy;

(2) The possibilities and limitations of co-operative organisation;

(3) The conditions of the development of co-operative organisation, and the methods and agencies best suited to promote such conditions (legislation, co-operative development departments, teaching, auditing, etc.);

(4) Official consultation by public authorities of co-operative organisations, and the representation of such organisations on legislative and administrative bodies.

CHAPTER II

INDUSTRIAL EMPLOYMENT

Plantations were among the first large-scale undertakings to be organised in Asiatic countries as a result of European penetration, and they still provide employment to large numbers of workers in many of these countries, where tea, rubber, sugar, and other plantation produce constitute an important part of the export trade. Since the latter part of the 19th century, however, mining has been developed in a number of areas, and in the last three decades or more, particularly as a result of the two world wars, several manufacturing industries have been established, especially in China and India.

Until quite recently, industrial development in China was slow and largely localised in the coastal areas. According to a survey made by Mr. H. D. Fong, in 1931 modern industrial undertakings were concentrated chiefly in the provinces of Kiangsu, Liaoning, Hopei, Kwangtung, Shantung and Hupeh. Although these provinces comprised only about 10 per cent. of the area and 36 per cent. of the population of the country, they accounted for 92 per cent. of the foreign trade, 53 per cent. of the railways, 42 per cent. of the motor roads, 64 per cent. of the coal and iron output, 93 per cent. of the cotton yarn and 92 per cent. of the silk production, 86 per cent. of the oil output and 87 per cent. of the electric power capacity. An enquiry made by the Ministry of Industry and Commerce in 1930 showed that in 29 of the principal industrial towns, there were 1,975 factories, employing, in all, 1,204,318 workers. Of this total, 47 per cent. (566,301) were employed in the textile, 14.7 per cent. in the food, 6.6 per cent. in the clothing, 6.5 per cent. in the building, 6 per cent. in the chemical, 5.4 per cent. in the mechanical, and 4.9 per cent. in the printing industries. According to a report on labour conditions in the East published in 1938 by Mr. (now Sir) Harold Butler, formerly

Director of the International Labour Office:

At present the total of factory workers lies probably between 1.5 and 2 millions. Over and above this, there are some 800,000 mine workers. Among the industrial towns, Shanghai comes easily first with over 345,000 workers; Wusih is credited with some 70,000; Tientsin and Tsingtao with between 30,000 and 40,000 each; and Hankow with about 10,000.

The Second World War gave a considerable impetus to industrial development in the interior of China. On the eve of the war, China had 3,849 (registered) privately owned factories, of which 1,290, or a third of the number, were in Shanghai and only 279 were located in the interior. The larger industries, furthermore, were controlled by foreign interests. In 1942, after five years of war, there were 1,350 privately owned factories in the interior, in addition to 108 units of heavy industries (41 factories, 43 mines, and 24 power plants) under the direct control of the National Resources Commission of the Ministry of Economic Affairs. The Commission, which began the construction of heavy industry in the three Yangtse provinces of Kiangsi, Hunan, and Hupeh, moved the industrial bases to such inland provinces as Szechwan, Sikan, Yunnan, Kweichow, Kwangsi and Kansu. Apart from promoting the establishment of new factories, the Government, following the enforcement of the National General Mobilisation Act in May 1942, took steps to bring about the rationalisation of industry and also provided assistance for the transfer of the older factories from the coastal areas to the interior. Approximately 640 factories in all were thus moved and over 12,000 skilled workers were also brought with them. Particulars of wartime industrial employment are not available, but it may be mentioned that between 1937 and 1942, metallurgical factories increased from 4 to 87, machine works from 37 to 376, electrical appliances factories from 1 to 44, chemical works from 78 to 380, spinning and weaving factories from 102 to 273, and paper mills from 3 to 17. Furthermore, 6 cement plants and 133 alcohol factories had either been opened or were in process of construction at the end of this period. In 1937, there were in the hinterland only 745 coal mines and 33 iron mines, but in 1942 these numbered 1,629 and 122 respectively.

In 1944, there were 5,266 factories registered in the interior (including 502 new Government factories directly controlled by

the National Resources Commission), and at the end of the war, the figure was 5,998 with 395,275 workers. After the war, however, the industries in the interior suffered a severe depression, and 1,110 factories, employing 167,000 workers, had closed down by April 1946. Of the 1,600 factories in Chungking, about 355 suspended work altogether, while others slowed down considerably. Among the reasons given for this industrial decline are the dumping of foreign goods, the sharp increases in wages, low efficiency and out-moded equipment, shortages of raw materials, machinery and technical staff, and political instability. Furthermore, the industries of the areas recovered from the Japanese, which had suffered severely during the war—in Shanghai, about 16 per cent. of the pre-war factories were completely destroyed and about 18 per cent. were seriously damaged—have also been affected by the decline in activity.

The beginnings of modern industrial organisation in India may be traced to the construction of public works—roads, railways, and buildings—and the establishment of indigo, coffee, tea, and rubber plantations in the last century. Mining and manufacturing development followed, but such activities were more or less of a haphazard character and confined to a few private individuals until the First World War. Since then, however, industrialisation has made substantial progress and a number of industries, such as the textile, iron and steel, sugar, and cement industries, have been firmly established in the country.

The Indian Franchise Committee conducted in 1931 special investigations concerning the arrangements to bring into operation the Constitution which was eventually adopted in 1935, and reached the conclusion that the total number of non-agricultural workers in the country at the time was approximately 25 million. The Committee's estimate of the number of workers engaged in industrial establishments regulated by labour law was about a fifth of this total. Sir Atul Chatterjee's estimate, based on the census of 1931, of the total number of workers in the Indian provinces in that year, excluding agricultural but including domestic workers, is 31 million.[1]

[1] See his article, "Federalism and Labour Legislation in India", in *International Labour Review*, Vol. XLIX, Nos. 4-5, Apr.-May 1944, pp. 416-418.

The total number of workers (temporary and permanent) employed daily on the plantations was on an average 741,691 in 1911, 1,003,456 in 1921, 1,056,754 (tea, 925,237; coffee, 98,570; and rubber, 32,947) in 1939, and approximately 1,150,000 (tea about 1,000,000; coffee, about 114,000; and rubber, about 50,000) in 1944. The actual number of workers employed on the plantations was, however, considerably higher than that indicated by the daily averages, because of the high rate of absenteeism, the migratory habits of the workers, and the seasonal nature of the employment. The daily average number of workers employed in factories was 1,409,173 in 1923, 1,652,147 in 1936, 1,751,000 in 1939, 2,522,753 in 1944, and 2,643,000 in 1945. In 1944, among the perennial factories[1], the textile factories employed 993,000 workers, the engineering factories, 265,000, the food, drink and tobacco factories, 132,000, and the minerals and metals factories, 91,000. The province of Bengal employed the largest number of workers in 1945 (745,000), followed closely by Bombay (736,000); together, these two provinces accounted for 56 per cent. of the total number of industrial workers. The number of persons employed in mines increased from 258,217 in 1924 to 269,593 in 1936 and 386,290 in 1945; the coal mines employed the largest number (162,917 in 1936, 294,902 in 1945). The number of workers employed on the railways in India declined from 817,733 in 1929-30 to 712,364 in 1935-36 and 708,541 in 1939-40, but increased to 990,880 in 1945-46. In 1944, the docks employed about 100,000 persons directly and quite a large number through contractors; tramways and buses employed some 100,000 persons; and the Central and provincial Public Works Departments and the municipalities employed about 1,600,000 persons.

Only 1.9 per cent. of the gainfully employed persons, totalling just over 6,000,000, were engaged in industrial pursuits in Siam in 1937. Such activity was confined largely to tin mining and food processing.

Industrial development in Burma was based on the construction of public works, such as roads, railways and buildings, and on the important inland waterways, notably those of the Irrawaddy River. During the last century, the exploitation of the great teak forests with their ancillary sawmills, the

[1] Factories working more than 180 days in the year; other factories are classed as seasonal.

mining of silver, lead, tin, and wolfram at Namtu, Nawchi and Tavoy, oil mining and refining in the Yenangyaung-Chauk area, and the export of rice on a large scale were developed. Other industries, such as sugar refining and the manufacture of building materials, had also made good progress before the Second World War, but like all Burma's industries, they were damaged almost beyond repair during the war. The total number of persons employed in the various industries in 1936 was 131,230, a large proportion of whom were immigrants from India.

The only available figures for the occupational distribution of the population of Ceylon are those provided by the census of 1921. In that year, out of a total population of 4,498,605, 2,902,680 persons were dependent on the production of raw materials, 553,400 on industrial occupations, 162,433 on transport, 345,824 on trade, 150,173 on public administration and the liberal arts, and 404,095 on other miscellaneous occupations. From the standpoint of employment organisation, the country falls into three regions; the estates, the rural areas outside estates, and the urban areas. The census of 1946 showed that out of a total population of 6,633,617, 849,569 (12.8 per cent.) were on the estates, 4,774,254 (72 per cent.) in rural areas, and 1,009,794 (15.2 per cent.) in urban areas. Industrialisation, except in Colombo and along the west coast, where the manufacture of the by-products of the coconut palm is carried out on an extensive scale, is in its infancy, and the number of mills, factories, and engineering workshops is small. At the end of 1945, there were 1,732 factories and 60 mines registered under the Mines and Machinery Ordinance. The recent manufacture of glassware, cigarettes, matches, soap, and tiles, introduced mainly owing to the shortage of imported articles of this type, has made some headway. Pilot factories have been established by the Department of Commerce and Industries for the manufacture of quinine, leather, plywood, paper, acetic acid, ceramics and glass. In Ceylon, as in Malaya, Indian immigrant workers are employed in appreciable numbers on the plantations, in commercial and industrial undertakings, on the docks, and in various public services in urban areas. In 1936, for instance, Indian plantation workers and their dependants numbered no less than 659,000 out of a total of 716,000, while those in commercial or industrial occupations and in public services totalled

24,000. The proportion has declined considerably, however, the 1945 figure for plantation workers being 447,000 out of a total of 581,000. In Colombo harbour, the proportion of immigrant workers has declined from 70 per cent. to 50 per cent. In urban employment, Ceylonese workers constitute the great majority.

The mining industry in Indo-China consists largely of coal, tin, and zinc mining, and the manufacturing industry mostly of food-processing mills, sawmills, paper mills, cotton textile mills, soap factories, engineering repair shops, and shipyards. There are also a large number of handicraft workshops employing workers for wages, in particular in the silk and cotton handweaving industry, in which the labour force is very largely composed of Chinese residents. The rubber plantations in Cochin-China and Cambodia employ a large number of workers, partly imported from northern Annam and from Tonkin. Excluding railway transport, which employed 10,000 workers, and dockyards in which slightly over 1,000 workers were engaged, approximately 221,000 workers found employment in agricultural, industrial, and mining undertakings in 1929. According to the most recent estimates, the number is about 500,000 in a period of normal economic activity.

According to the census of 1930, the total number of workers on plantations in Indonesia (Java) in that year was 960,000, and industrial employment accounted for no less than 1,600,000 persons. The latter category, however, included the small firms manufacturing such articles as indigenous clothing or cigarettes. The larger industrial undertakings using mechanical power showed an increase in number during the period 1930 to 1940, and in 1939 the total number of workers in such undertakings was estimated at 300,000, as compared with approximately 75,000 at the beginning of the decade.

Immigrant workers from China, India, and to some extent Java provided the larger part of the labour force on plantations and in mines in Malaya before the war. In 1939, the rubber plantations employed about 320,000 workers and the mines about 76,000, of whom 66,000 were Chinese. Figures for 31 December 1946 show a total of 385,629 workers, of whom 298,308 were employed on estates, 21,956 in mines, 22,487 in factories, and 42,878 in Government departments. The workers on the estates included 174,078 Indians and 72,289 Chinese;

those in mines, 4,615 Indians and 13,479 Chinese; and those in factories, 3,542 Indians and 16,349 Chinese.

In New Caledonia, the chromium and nickel mines employ about 12,000 workers, most of whom are recruited under contract from Tonkin and Java. The indigenous population is engaged mainly in agriculture and seasonal work.

In the Philippines, according to the 1939 census, out of a total of 5.3 million gainfully employed persons, 601,000 were engaged in the manufacturing and mechanical industries, 204,000 in transport and communications services, and 202,000 in public, professional and clerical services. The principal export industries are the processing of sugar, tobacco, copra, and abaca (Manila hemp).

It will thus be seen that in Burma, Ceylon, and Malaya, the labour supply for large-scale industrial undertakings—plantations, mines, and public utilities, more particularly transport—has been, in the past at any rate, derived to a substantial extent from China and India. Since 1922, however, Indian emigration has been carefully regulated so as to prevent the labour supply in these and other areas from becoming excessive and thereby causing deterioration of the conditions of work. Shortly before the war the Burmese and Indian Governments had reached an agreement concerning the regulation of the migration of Indian workers, but its ratification was delayed by the outbreak of hostilities. The admission of workers into all these territories is, moreover, at present subject to many restrictions.

Organisation of Employment

China

Wartime Control of Employment.

The wartime expansion of industry in the interior of China, noted above, increased the demand for skilled labour. The attempts made to transfer skilled workers from the coastal areas to the interior were not, however, very successful. The cost of such transfer was high, the practical difficulties of transport were great, and in many cases the workers were reluctant to leave their families behind. It was decided, therefore, to recruit workers as far as possible from neighbouring areas; but the competition among employers for trained workers

was keen and, moreover, these latter not infrequently left the factories in order to set up industrial co-operatives of their own. It thus became necessary to organise and control employment.

In September 1938 the Industrial and Mining Adjustment Administration instituted a system of registration of factory workers and took steps to put an end to the practice of labour "poaching" by individual undertakings; it was made obligatory for a worker leaving his post without the consent of the employer to return to it. Private employers (in the provinces of Szechwan, Kwangsi, Shensi and Kunming, for instance) combined to form associations of their own and gradually built up a system designed to bring cases of poaching by an employer to the notice of the public authorities. The Industrial and Mining Adjustment Administration investigated and settled a number of such cases by the payment of compensation on a scale previously agreed upon and the restitution of the worker to the former employer. In Szechwan province representatives of the textile industry were encouraged to visit one another's mills in order to make sure that the workers in the employ of one mill had not been drawn away to another. Steps were also taken to make the conditions of employment in each locality as far as possible uniform. In undertakings under the control of the public authorities more rigorous measures were adopted for the registration of skilled workers and the control of employment. The skilled workers in military arsenals, to whom the regulations relating to military service applied, were liable to imprisonment for a period of up to ten years should they leave their work without special permission. Finally, in April 1942, the Ministry of Economic Affairs issued regulations for the control of the supply of skilled labour for industry and for the establishment of committees for the administration of the control measures. The regulations applied to seven industrial centres—Chungking, Kunming, Kweilin, Kweiyang, Sian, Chengtu, and Wanshien—and to the metallurgical, machine tool, electrical installation, chemical, textile, food, and printing and stationery industries, as well as such other industries as might be designated from time to time by the Ministry. Skilled workers employed in these industries, whether in large undertakings or in small concerns of their own, workers who had recently arrived from

the war zones or had not completed their training, and unemployed workers were required to register with the local committee for the control of labour supply. A certificate was issued to each worker on registration and workers without such certificates might not be engaged by a factory, or work in their own old-established or newly set up undertakings.

The committees for the administration of control measures, which functioned under the local authorities, were composed of 7 to 11 members, including the chief of police, who acted as chairman, and representatives of the Kuomingtang Party and of the Ministries of Economic Affairs and Social Affairs as regular members. The other members, including representatives of employers and of workers, were appointed by the local authorities. Each committee had its own secretariat, and provision was made by the Executive Yuan for the necessary expenditure, in accordance with estimates drawn up by the Ministry of Economic Affairs. The previous authorisation of the local committee had to be obtained before an employer could engage a skilled worker in the categories covered by the regulations, and both employers and workers were liable to penalties for infringement of the regulations. Each local committee was called upon to take measures to prevent the irregular transference of labour from one employer to another, to distribute the available supply of labour among the employers and to assist the latter in securing fresh supplies. Skilled workers desiring to find suitable employment could also apply to the committee for assistance.

The shortage of skilled labour also led to consideration of the question of the allocation of manpower between the armed forces and industry. In April 1941 the Ministries of Military Affairs and Economic Affairs jointly issued a Provisional Order on the suspension from military service of skilled labourers and staffs employed in the vital national defence mines and industries. Twenty different types of employment in mines and industries to which the Order applied were specified therein, and it was also stated that its scope might be further extended by notification.

During the first phase of industrial reorganisation for war purposes in the interior, the shortage of skilled labour was particularly acute in the machine tool industry. With the approval of the Ministry of Economic Affairs, the Industrial

and Mining Adjustment Administration promulgated in June 1938 a Provisional Order for the grant of loans, limited to one year, to employers for the recruitment in Shanghai and its environs of certain specified categories of workers (those qualified for lathe, bench, forge, wood pattern, and foundry work) and their transference. The measure was, however, so restricted in its scope that few employers availed themselves of the facilities offered to them. The Order was therefore amended and replaced by another issued in April 1939, under which assistance was provided, not only to factories dismantled and removed from the coastal areas, but also to those newly established in the interior, and the facilities were extended to all categories of work in respect of which there was a shortage. Hongkong and Hengyang were added to Shanghai as centres of recruitment, the period of the loan was prolonged to three years, with provision for its being made in instalments corresponding to certain specified stages in the recruitment and transference of the workers and their families, and the minimum number of workers in respect of whom such loans could be obtained was reduced from 10 to 5.

The arrangements for recruitment were further centralised when in May 1939 an association of employers who had moved from the coastal areas and had established themselves in Szechwan set up a commission for the purpose of recruitment, at the instance of the Industrial and Mining Adjustment Administration. The Commission sent its own agents to the recruiting centres. The expenses were shared by the different employers concerned, and with the assistance of the Industrial and Mining Adjustment Administration the various stages of the recruiting operations—examination of physical fitness, application of tests to ascertain vocational qualifications, transference—were systematically organised. Similar measures were also taken when Canton was occupied, with a view to drawing the skilled workers who had been thrown out of employment to the munition factories in the interior, but these measures seem to have met only with limited success, owing to the long stretches of territory to be traversed and the expenditure involved. It cost, for instance, 1,000 dollars (at prices current at the time) for each worker to be brought from Shanghai to the interior by way of Chekiang, Kiangsi, Hunan and Kweichow, and 2,000 dollars by way of Rangoon.

Under section 11 of the National General Mobilisation Act, which came into force in May 1942[1] and empowered the Government to regulate employment and wages and salaries, the Executive Yuan promulgated regulations for the control of employment in factories and mines in wartime on 8 April 1943, with effect from the date of promulgation. These regulations (which replaced the regulations relating to the employment of skilled workers in industry, previously issued by the Ministry of Economic Affairs) applied to factories and mines employing more than 10 workers. The undertakings were required to issue a work book (in three copies, two to be forwarded to the authorities responsible for supervision and the other to be retained in the undertaking) for each worker employed, containing a statement of his name, address, age, province of origin, general or technical qualifications, previous experience, physical condition, family, date of engagement by the undertaking, work, wages and conduct, and any additional remarks by the manager of the undertaking.

A certificate of registration was issued to the undertaking by the competent authorities on the receipt of the work books. A worker might be transferred from one undertaking to another or discharged only if the necessary authorisation had been obtained from the competent authorities in the registration certificate. Workers might be discharged in the event of the suspension of operations in the undertaking, wholly or in part or for a period of over a month, owing to *force majeure* or for incompetence or disorderly conduct. A worker might apply for discharge for reasons of ill health (provided that a medical certificate was produced), or general debility (in the case of those over 50 years of age), or for the non-payment of wages without justification or other violation of the contract of employment or of the laws and regulations.

Only undertakings with registration certificates were authorised to recruit workers, and certificates were withheld from undertakings which engaged workers who had been discharged or who had left employment without authorisation. Six-monthly returns, containing particulars of the changes in the number of workers during the period, those discharged and engaged, and those having left without authorisation, and of the cases of deaths and sickness were required to be submitted

[1] The Act has now been repealed.

by the undertakings. Persons infringing the regulations were liable to penalties in accordance with the provisions of the National General Mobilisation Act.

Further regulations for the control of the employment of skilled workers and technicians, under sections 10, 11 and 12 of the National General Mobilisation Act, were promulgated on 9 July 1943 with effect from the date of promulgation. These regulations applied to graduates of technical schools or universities, whether at home or abroad, graduates of higher vocational schools who had specialised in science, engineering, agriculture, medicine, accountancy, and industrial and business management, as well as students of technical training institutions, employees of agricultural, industrial, mining, and commercial undertakings, public or private, and unemployed persons with technical qualifications. All such persons were required to be registered, and none of them might leave his employment without justification or change employment without the employer's consent. The Labour Bureau of the Ministry of Social Affairs of the National Government was, moreover, empowered to conscript, for the emergency, skilled workers and technicians, or transfer them from one place of employment to another. The Bureau might also direct persons who had been conscripted and had worked for three years in districts in the vicinity of the zone of military operations to be re-employed in their former, or other suitable, place of employment; it might establish training centres in the event of a shortage of supply of skilled labour; and, in consultion with the authorities concerned and with the approval of the Executive Yuan, it might draw up a uniform scale of wages and allowances for the workers. No skilled workers might be recruited from enemy-occupied areas or from abroad without the authorisation of the Bureau. Students who had been mobilised in accordance with these regulations would, however, be entitled to return subsequently to their respective places of learning.

Another feature of the wartime organisation of employment in China was the introduction of compulsory labour service. This was done by regulations which were promulgated on 4 December 1943, and which came into force on the same day. These regulations applied to all male citizens of the Republic between 18 and 50 years of age. The duration of the service (which was intended to be undertaken during off-season or va-

cation periods or after the regular business hours) was ordinarily 80 hours a year, or longer in exceptional circumstances, up to a maximum of 160 hours. The hours of work might be spread over a period on condition that the work on any one day was not more than 8 hours and not less than 1 hour in duration. The work on which the draftees would be employed included the construction of roads and irrigation works and employment in public utility or other undertakings. As far as possible, it was proposed to assign each draftee to work in the vicinity of his place of residence, but in the event of work being allotted to him at a place at a distance of over 5 kilometres from his place of residence, provision was made for him to have free board and lodging. Provision was likewise made for free medical care, and the draftees were entitled to a pension in the event of their being disabled in the course of their service

Exemption from compulsory labour service might be granted because of *force majeure* or in the case of disablement, liability for military service in the same year, or employment in defence industries. The obligation might be commuted by providing a substitute in cases in which it proved impossible to interrupt the normal occupation and in other special cases. The Ministries of Social Affairs and of the Interior were responsible for the administration of the regulations, but the framing of annual work programmes was entrusted to a central authority in consultation with other bodies.

Employment Services.

During the war, the Ministry of Social Affairs established a section to deal with placing in its offices at Chungking, Kweiyang, Kweilin, Hengyang, Nekiang, Tsunyi, and Lanchow. The Chungking section was expanded in 1944 into an independent employment office and appears to have made appreciable progress since then. While in the first six months of 1944 it registered some 3,000 applicants for work, of whom only 108 persons were placed in employment, during the last six months of the year the registered applicants for work numbered over 8,000 and 483 persons were placed in employment. A notable contribution made by the service in the winter of 1944 consisted of a detailed investigation into the occupational fitness of the large number of refugees who arrived in Chungking from

Hunan and Kwangsi, with a view to giving them suitable work. A weekly bulletin of information, called the *Employment Service News,* has been published by the service since the spring of 1945.

As the war spread into Hunan and Kwangsi, the Kweilin and Hengyang sections were suspended in 1944. After the end of the war, the Nekiang and Tsunyi sections were suspended, but new employment offices had been established in Shanghai, Hankow, Tientsin, and Nanking. The Shanghai employment office, which serves the most industrialised centre in the country, placed 2,652 applicants (2,112 men and 540 women) out of a total of 16,830, in 1946. The present plan is to extend the network of employment offices and to co-ordinate their activities through the Ministry of Social Affairs with a view to the systematic allocation of the national labour resources. Provisional regulations governing the promotion of the employment service were promulgated by the Ministry in 1946, according to which provincial and municipal authorities were to prepare working plans for the coming year and to submit them to the Ministry for approval before 15 November 1946.

Regulations governing the employment of disabled ex-servicemen were promulgated by the Executive Yuan on 19 October 1946. They stipulate that soldiers who have become disabled during their military service shall be placed in occupations involving comparatively little risk to life and not demanding violent physical exertion, for example, in handicrafts and light industries or in work in administrative departments, offices, shops, educational institutions, etc. Factories and shops are required to reserve 2 to 3 per cent. of their total labour force for such men and to place them in jobs suited to their degree of disablement, educational qualifications, and ability. Any disabled man who wishes to carry on a small business is exempt from the business tax; provision is made for facilities for obtaining loans in such cases. The local authorities are empowered to set up employment committees for giving assistance in placing and training disabled men. If employment cannot be found for a man in his own district, the local authorities may have recourse to those of neighbouring districts or, if need be, to the central authorities, and if the man is found employment elsewhere, he is entitled to free travelling expenses.

A word may be added about the regulation of the activities of private employment agencies. On 11 August 1943 the Ministry of Social Affairs promulgated measures for the regulation of agencies conducted by farmers' unions, trade unions, chambers of commerce, and other recognised trade associations. These measures, which were provisional in character, and which came into effect on the date of promulgation, required all such employment agencies to furnish to the competent authorities particulars of their location, activities (together with particulars of persons in charge of those activities) and sources of revenue, on forms drawn up by the Ministry, and to obtain certificates of registration. The agencies were required to deal with both skilled and unskilled labour and, in addition to placing activities, to enquire into the manpower situation, to regulate the demand for and supply of skilled workers, and to provide vocational guidance and vocational training facilities. They were also required to submit monthly returns on their activities to the competent authorities, which were asked to forward the returns annually to the Ministry. The agencies might, where necessary, charge a placing fee not exceeding one half of the first month's wages or salary of the applicant, to be shared equally between him and his employer, but were prohibited from accepting any other payment from either party. Provision was also made for special recognition to be accorded to agencies which were run efficiently.

Unemployment Relief.

In view of the decline in industrial activity that followed the end of the war and the sudden increase in the number of unemployed workers, the Ministry of Social Affairs promulgated regulations in September 1945 governing provisional unemployment relief in the recovered areas. It is estimated that at the end of March 1946 there were 646,820 unemployed workers in these areas (as compared with 56,444 in the interior). The regulations stipulated that in localities where unemployment was widespread, the competent authorities could organise provisional relief committees, which would grant cash relief sufficient for three months' subsistence to workers who had lost their employment owing to the closing down of factories and

had received no dismissal allowance. In Shanghai, the Workers' Unemployment Relief Committee so set up granted during six months in 1945-46 a total of 850 million dollars in cash to 90,000 unemployed workers and 9,000 tons of flour to 60,000 workers. The Committee was replaced in September 1946 by a committee for giving assistance and guidance to unemployed workers, which is required, among other things, to organise work relief, establish co-operative factories, and extend small loans to the unemployed. Temporary unemployment relief committees have also been set up in Tientsin and Peiping.

Administrative Arrangements.

The Labour Bureau in the Ministry of Social Affairs was set up in September 1942 under the provisions of the National General Mobilisation Act, to compile data concerning the distribution and supply of labour, to promote the systematic utilisation of manpower, particularly for the defence industries and national reconstruction, to inspire the workers with the ideal of national service and to protect their legitimate rights and interests. During the war, the Labour Bureau registered technical and skilled workers in mines and factories as well as unemployed technical and skilled workers. To meet the demands of the reconversion period, it now also registers industrial employees of undertakings which have been transferred, disbanded and disabled soldiers seeking employment, and Japanese technical and skilled workers, and for this purpose it has set up 15 additional mobile registration stations in the areas recovered from the Japanese.

Further to assist the process of post-war reconversion, the Labour Bureau, in association with other agencies, has given assistance to industrial workers in moving to a new place of employment. It has also made an estimate of the manpower needed by various industries in different localities and allocated labour accordingly, for which purpose a Manpower Planning Committee has been set up. In view of the need of manpower for post-war reconstruction, the Bureau continues to organise labour corps in the various provinces and municipalities in the recovered areas.

In addition to the unemployment relief measures carried out by the authorities responsible for the administration of social

affairs, the Labour Bureau has set up relief guidance stations in several important centres.

India

Wartime Measures.

While there is an abundant supply of labour for industry in India from the rural parts, these workers, being for the most part of poor physique, illiterate, and accustomed to the slower tempo of life in the countryside, need to be trained for, and adapted to, factory work. An industrial population is gradually growing up in the larger cities, but the supply of skilled labour is still far from being adequate for the growing needs of industry. The shortage was particularly acute during the Second World War. At an early stage in the hostilities, the country was not only cut off from its customary sources of supply of imports of manufactured goods, partly because of the diversion of those supplies to war purposes and partly on account of the difficulties of transport, but was itself called upon to provide large quantities of war materials to the European as well as to the Far Eastern theatres of operations.

From the outset, the demand for technically trained workers from the Central, provincial and municipal Government establishments as well as from the defence services was much larger than the available supply. The utilisation of the existing number of technical workers to the maximum advantage could only be ensured by the control of their employment, and for that purpose, on 29 June 1940, the Governor-General in Council promulgated the National Service (Technical Personnel) Ordinance (Ordinance No II of 1940). The various categories of skilled and semi-skilled artisans—carpenters, electricians, blacksmiths, fitters, painters, and machinists- to whom the Ordinance was applicable were specified in a schedule, and all such technical workers between 18 and 50 years of age who were not in the armed forces were made liable for employment in national service. Any factory engaged in war work might be declared by notification to be a factory engaged on work of national importance, and all notified factories might apply for technical personnel. Any industrial undertaking might be required to furnish particulars of the technical personnel which it employed, and the management of any undertaking

other than a notified factory might be required to release technical personnel for employment in national service. The terms of service of personnel thus requisitioned might be determined by the competent authorities, without prejudice, however, to the rights that they had already acquired to a provident or superannuation fund. Technical personnel to whom the Ordinance applied might be moved from one factory to another, and in certain selected undertakings they could not leave or be discharged without the permission of the competent authority.

Technical personnel requisitioned for national service under the Ordinance were entitled to reinstatement in their former employment under conditions no less favourable than those which would have been applicable to them had they remained in that employment.

The local administration of the Ordinance was vested in national service labour tribunals especially constituted in different areas for that purpose. The tribunals, which consisted of not less than three members appointed by the Central Government, the majority of whom were servants of the Crown, were vested with the powers of a civil court and might record evidence, administer oaths, enforce the attendance of witnesses, and compel the production of documents.

The Ordinance was amended on various occasions in the period 1940-1944, the principal changes being as follows: technical personnel were made liable to undertake employment not only in notified factories but also in training establishments and technical posts under the Crown; the definition of technical personnel was extended so as to include apprentices and notified Asiatic immigrants in the Indian provinces; the tribunals were empowered to determine the terms of service of persons who had been refused permission to leave their employment; the minimum age of persons to whom the Ordinance was applicable was reduced from 18 to 17 years; the Ordinance was made applicable to Indian State subjects resident in the Indian provinces; and the administrative powers of the tribunals, as well as the categories of technical personnel to whom the Ordinance was applicable, were extended. Offences under the Ordinance were made cognisable and the scope of the Ordinance was extended so as to include ships registered in India and ships' officers.

Three other Ordinances were also issued for the regulation of employment: the Essential Services (Maintenance) Ordinance (Ordinance No. XI of 1941), applicable to all employments under the Crown as well as private employment declared to be essential in the interests of the war effort and designed to ensure that the administrative personnel would remain at their posts in emergency conditions; the Motor Vehicles (Drivers) Ordinance (Ordinance No. V of 1942), empowering the Government to requisition the services of persons qualified to drive motor vehicles and providing for their reinstatement in their former employment on the termination of compulsory service; and the Railways Employment Military Personnel Ordinance (Ordinance No. LIII of 1942) regulating the employment of members of the armed forces in the working and management of railways. Amendments, mostly of a formal character, were subsequently made to the first two of these Ordinances.

The war also caused a rise in the demand for unskilled labour. While there was, of course, no absolute shortage of unskilled labour in the country, local shortages in areas with large defence works or other undertakings with a steady demand for labour were by no means uncommon, particularly owing to the lack of mobility from surplus to scarcity areas caused by the long distances separating them, the diversity of habits and customs in different parts of the country, and the general rigidity of the rural communities. In the early stages of the war the tea gardens in Assam released sufficient labour to meet the pressing needs in the north-east. Subsequently, the Government found it necessary to make more extensive arrangements, and instituted a system of labour depots in which groups of workers, each consisting of some 50 persons under a leader, were formed into basic units of 500 to 800 workers each under a commander. The units, which were provided with the necessary tools and were accompanied by medical officers, were despatched to different destinations for such work as the construction of roads, strategic railways, and airfields, or coal mining. The first of these depots was set up in Gorakhpur in 1942, and in May 1944 the total number of workers supplied by the depot was 66,699.

In 1943, in Jubbulpore, where a large number of Government undertakings were located, an advisory committee was set up to co-ordinate the recruitment of labour for these undertakings

and propose measures for the promotion of labour welfare, including the determination of wage rates and cost-of-living bonuses and the provision of stores for the sale of grain at concession rates and housing, medical relief and other such amenities.

As a result of these experiments, the Government decided in 1944 to establish advisory committees in each province to assist in co-ordinating the demand for unskilled labour and regulating its conditions of employment, as well as to set up labour depots in all surplus areas. Housing, clothing, and food rations were provided for unskilled labourers organised under Government auspices. In the same year a Directorate of Unskilled Labour Supply was set up to supervise the working of this scheme; and a Labour Recruitment Control Order, requiring a licence to be obtained for the recruitment of labour in special controlled areas in different parts of the country, was promulgated.

Employment Service Organisation.

In the beginning of 1945, with the end of the war in sight, the Government decided to set up suitable machinery to facilitate the orderly absorption in civil life of the large numbers of service personnel and war workers who would be set free. By agreement with the provincial Governments, a scheme for the establishment of a co-ordinated employment service was initiated in July 1945, under which 70 employment offices, consisting of 1 central, 9 regional, and 60 subregional offices, were to be established throughout the country.

The new Resettlement and Employment Organisation undertook other activities also, and in the earlier stages there were six directorates dealing with employment offices, employment, technical training, vocational training, publicity, and welfare, respectively. In addition, a Resettlement Advice Service was established in order to contact ex-service personnel at demobilisation centres and to advise them on all resettlement and employment matters. In the light of subsequent experience, a reorganisation was effected. Under the Director-General of Resettlement and Employment there are now two main directorates, one dealing with technical and vocational training and the other with employment offices and employment, with

officers under them both at the Centre and in the different regions. Since employment office work was entirely new to the country, specialised training had to be given to the managerial staff before actually establishing the offices, and a staff training centre was set up for the purpose in June 1945, which trained within one year the staff required for all these offices.

Appointments branches for dealing with applicants possessing qualifications of a professional, scientific or administrative, or of a highly technical character, have been established in the 9 regional offices. Similarly, women's branches have been established in the regional offices to deal specifically with demobilised members of the Women's Auxiliary Forces and discharged women war workers.

The resettlement problems facing the Indian States are identical with those in the Indian provinces, and by the end of December 1946, 16 States had opened 17 employment offices.

It is realised that 70 employment offices in a country of India's size are insufficient to meet the need, and an expansion in the number will be considered in due course. One of the main obstacles to rapid expansion is the shortage of trained staff. Meanwhile, in order to afford maximum facilities, employment information bureaux have been set up to act as a link between the applicants for employment and the employment office. The bureaux will work as a supplementary channel for communicating information, advice, and guidance to ex-service men and women on all matters connected with their training, registration, and placement, and for forwarding their requests, communications, and representations to the employment offices concerned. Up to the end of 1946, 164 such employment information bureaux had been opened. Further to enable the employment offices to establish and maintain direct contacts with employers as well as applicants for employment, mobile sections are attached to all the subregional employment offices. These sections tour areas remote from the offices and effect registrations and placings on the spot.

Conditions in India vary from province to province, and certain modifications have had to be made to suit local circumstances. In Madras, where the problem was of comparatively great magnitude, it was necessary to have the employment service functioning on a district basis, and district offices have accordingly been set up in each district where an employ-

ment office has not been established. These district offices function under the control of the employment office within whose area they are situated.

The Resettlement and Employment Organisation has been sanctioned for 5 years. Before the end of this period, however, the position will be reviewed in consultation with the provincial Governments, with a view to a decision regarding the transfer of the regional sections of the Organisation to the provincial Governments concerned, and also to a general decision on the future of the employment service as a whole.

Burma

The plan prepared by the Government of Burma during the war for the establishment of a Labour Department was implemented by the appointment of a Labour Director, whose duties include that of setting up a free public employment service. By March 1947, only one employment office, in Rangoon, had been opened, the extension of the service being hampered by the unsettled conditions in the districts and the slow revival of trade. Plans have been approved, however, for its extension to the districts in a modified form by means of labour offices, and for the training of administrative staff in employment office procedure in India and in the United Kingdom.

Ceylon

During the war, no restrictions were placed in Ceylon on the movement of labour, except on that employed by the defence services, by the Port of Colombo and in a few industrial units in Colombo under the Essential Services Maintenance of Production Order. A Services Standing Wages Board was set up by the Commander-in-Chief to deal with the conditions of employment of labour employed in service works, either directly for the services or by civil Government departments on behalf of the services. The Commissioner of Labour was Chairman of this Board, which, besides dealing with rates of wages of labour engaged on service projects, co-ordinated the rates

of pay of labour employed by the services, civil Government departments, and private employers of labour. The services experienced considerable difficulty in obtaining adequate labour at the rates of wages approved by the board, and numerous complaints were made by civilian firms and plantations that contractors engaged by the services were crimping labour from them by offering appreciably higher rates of pay. Individual services also resorted to unsystematic upgrading in order to attract labour, and this tended to deflect labour from one service to another.

Another wartime measure was the establishment of non-military labour units for work during emergencies. They consisted of the Essential Services Labour Corps of about 5,000 persons and the Agricultural Corps of about 3,000 persons. While the latter is being continued, the former has been officially disbanded but continues to work as a private organisation on co-operative lines.

Unemployment has never been a serious problem in Ceylon, and in normal times there is very little of the kind that highly industrialised countries experience. The basic problem is underemployment, as cultivators and agricultural workers have work only for limited periods of the year. The problem of unemployment, however, was acute during the last depression, when Colombo was seriously affected. At first, relief in cash was given, but in 1931 arrangements were made to provide work near Colombo. From 1932 to 1936, the Colombo municipality provided relief works, aided by a Government subsidy, but from 1936 to 1942, the Central Government shouldered the entire responsibility for unemployment relief works. The war in the Far East created an increased demand for labour, and all unemployment relief schemes closed down in September 1942.

An employment office was established in Colombo in 1938 and in the last four months of that year, 16,480 workers were registered, 223 of whom were placed. In 1944, there were 2,753 registrations and 1,875 workers were placed. In August 1945, with the end of the war, a network of employment offices was established. The total number of registrations from September 1945 to 1 February 1947 was 63,805 and the number placed was 21,613.

The Philippines

After the liberation of Manila, the United States Army forces established district labour offices to recruit labourers for Army projects; by the end of the war, about 125,000 workers were being employed on such projects in the Greater Manila area alone, while the estimate for the whole of the Philippines was some 207,000.

The Department of Labor now maintains a Marine and Employment Division, which registers unemployed persons and places them where possible. Between 1 August 1945 and 31 December 1945, 264 applications were registered and 198 persons were placed. The Department has recommended the establishment of a co-ordinated national system of free public employment offices when funds become available, as an aid to the solution of the unemployment problem and to speedier rehabilitation. The offices would collect information on the unemployment situation and thus assist the Government in the drafting and formulation of relief measures, but the system would serve primarily as a national clearing house to co-ordinate the flow of the demand for and supply of labour.

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It will be seen from this brief review that the organisation of employment, which has been developed to meet emergency conditions, is still in its early stages in Asiatic countries. A detailed account of wartime developments has been included in this review of set purpose, as in all likelihood the experience gained during the war will be utilised for post-war reconstruction and economic development.

If, as repeatedly stated, industrialisation is to be advanced in these countries, adequate arrangements would need to be made for the placing of workers displaced from one employment in another. In times of depression, when unemployment assumes abnormal proportions, special measures would of course be needed to assist the unemployed. But even in normal times, the employment situation is subject to fluctuation for a variety of reasons, such as changes in the demand for certain types of goods, technological changes, the shift of industry from one centre to another, or the rapid extension of a particular industry. The difficulties in the adjustment of the supply of

labour to the demand can be considerably reduced by the operation of an effective employment organisation. This is consequently an important feature of modern industrial organisation.

The points which it has been found useful to take more particularly into account are: general structure of the employment service (administrative organisation, machinery for collaboration of the employment service with public and private organisations, specialisation of employment service work and co-ordination and supervision by the employment service of private employment agencies); functions of the employment service (collection of information on the employment situation, recruitment and placing, encouragement of occupational and geographical mobility, co-operation with unemployment insurance and assistance administrations, and participation in social economic planning); the extent to which and the manner in which the employment service should be utilised; and ways and means of promoting relations between national employment services.

Some Special Problems of the Organisation of Labour Supply

The Contract System

As has been previously noted, there is an abundant supply of labour in Asiatic countries generally. At the time slavery was abolished, it was customary to look upon the more densely populated countries of Asia as a natural source of cheap labour to enable the great metropolitan States to develop newly acquired dependent territories, particularly in the tropics. Since the workers concerned had not the means to travel to these areas at their own expense, there was no question of a spontaneous movement of population. Indeed, the usual approach to the question was from the point of view of safeguarding the employer's interest by ensuring that the worker would remain at his job, rather than from the point of view of protecting the worker. The arrangements for recruitment and for transport frequently left much to be desired, and the worker was bound by contract to serve the employer for whom he was recruited for a fairly extensive period, which was often long enough to attenuate his connections with his place of origin to such an extent that his

prospects became uncertain in the event of his repatriation at the end of the period. The conditions of employment were usually hard—the rate of remuneration was as a rule so low that only the ablest and thriftiest of the recruits could save enough to enable them to settle in the new country—and penal sanctions were attached to certain infringements of the contracts.

In the past forty years, however, questionable methods of large-scale recruitment have been superseded, largely as a result of public opinion, and as previously stated, administrative machinery designed to prevent an excessive movement of labour from India to Burma, Ceylon, and Malaya has been gradually evolved by consultations between these Governments. The indenture system of Indian labour recruitment on long-term contracts with provision for penal sanctions virtually came to an end in the first decades of the present century. Such emigration to Malaya ceased in 1910, to South Africa in 1911, to the West Indies in 1916-1917, to Fiji in 1921, and to Mauritius in 1922, and no such system was in force at any time in the case of emigration to Ceylon. A worker-recruiter system took the place of the former large-scale methods, whereby a worker returning to India for holiday would bring back from his new country any of his friends and relatives who wished to accompany him. Finally, in the case of Malaya, labourers were able to nominate individual friends or relatives, who could then on application at the port of embarkation secure free passages.

While the initial flow of Indian labour to Malaya during the early part of the nineteenth century was spontaneous and uncontrolled and largely unprotected, it subsequently became necessary to supplement this supply of labour by means of professional recruiters. This phase was succeeded by assisted and protected emigration, albeit assisted by professional recruiting for a number of years. During the decade 1920-1930, the proportion of non-recruited labourers to the total Indian labour influx rose from 12 to 38 per cent. Emigration was suspended during the ensuing period of economic depression, but when it was resumed, the proportion of recruited workers entering Malaya continued to fall, and the proportion of non-recruited workers to rise. In 1937, the year before emigration from India to Malaya for the purpose of unskilled work ceased, 88.8 per cent. of the adult Indian workers who entered Malaya were in the non-recruited category. An important le-

gal provision affecting all immigrant labour in Malaya prescribed that no one should be liable for the amount of any advances or expenses incurred on his behalf prior to his arrival in the country in consideration of his engagements to work there. The employment of Chinese and Javanese workers was regulated under the same labour laws as applied to Indian workers. Special sections of these laws related to them, and a special department, staffed by Chinese-speaking officials, looked after the interests of the Chinese workers. The labour laws of Malaya came to be based on the principle of "free" labour, *i.e.*, labourers could no longer be compelled to work in payment of debts, they were at liberty to leave their employment on giving notice and were not subject to penal sanctions. The recruiting system for Chinese labour, which had been accompanied by various abuses, was terminated in 1914. It could not be replaced by arrangements such as those instituted between the Malayan Government and the Government of India for the proper protection of migrant workers. All that could be done was to implement the various provisions in the special immigration sections of the labour laws.

Developments in Ceylon were somewhat similar, although the system of recruiting by recruiter-workers, or former workers made, or turned into, recruiting agents, was retained. One reform in Ceylon is of particular interest. An institution known as the "tundu" system arose in the first instance from debts for travelling expenses owed by the workers. The debts were subsequently increased by further loans or by credit purchases, until in many cases the sums involved were more than the men could ordinarily be expected to be able to repay. These sums were therefore debited against the workers and in the case of transfer, the new employer paid the amount to the old, and obtained a corresponding right to the workers' services. This system —

> ...was, in fact, a thoroughly objectionable form of peonage the vicious features of which were partially obscured by the moderation with which it was applied. The fact that the system was as impracticable financially as it was obnoxious morally was gradually recognised. On 8 July 1921, the General Committee of the Planters' Association considered the question and, to their credit, passed a resolution in favour of the complete abolition of the tundu system; the necessary legal action followed and the system was abolished by Ordinance No. 43 of 1921, which came into operation on 17 December of that year. By

its terms debts amounting to some £4,000,000 sterling were cancelled without compensation, and any attempt to revive the institution of the tundu was penalised. The far-reaching effects of this most important measure must have been of great value in improving relations between employer and labourer; it is a curious fact that this notable reform now appears to be largely forgotten or ignored in Ceylon.[1]

Recruitment by licensed "kanganis" or co-workers led in the past in Ceylon to a system whereby the payment of recruiting expenses and other dues restricted the freedom of movement of labourers from estate to estate. This was further aggravated by the continuance of penal sanctions. The abolition of penal sanctions and the prohibition of the tundu system led to freedom of contract between employer and worker. The kangani system, however, continues to have its influence over the worker, and though there has been a considerable movement in recent years from that system to the estate gang system, it cannot be said that the kangani has ceased to play an important part in the life of the estate worker. Proposals have been put forward for abolishing the system by legislative action, but little headway has been made in this direction; it is anticipated that the system will die out as the labourers become more articulate and conscious of their rights.

In Indonesia, the Government's policy of relieving overpopulation in Java by promoting settlement in the Outer Provinces to some extent favoured the continuation of recruiting and of contract labour. Nevertheless, the general evolution was not dissimilar. Penal sanctions in Java and Madura were abolished as early as 1879 and, owing to the abundance of labour, recruiting was seldom necessary. In the case of the engagement of Javanese workers for the Outer Provinces, professional recruiting was the normal procedure until 1911. The process then began of replacing such recruiting by engagement through worker-recruiters organised by employers' associations, with the ultimate result that professional recruiting was abolished in 1930. The engagement of Chinese workers for the tobacco plantations had also passed out of the hands of the professional recruiters by that year. In 1936 new legislation consolidated and extended these reforms. The new measure

[1] U. K. COLONIAL OFFICE : *Labour Conditions in Ceylon, Mauritius and Malaya*, Report by Major G. St. J. ORDE BROWNE, Labour Adviser to the Secretary of State for the Colonies (London, H. M. Stationery Office, 1943), p. 16.

provided that the prospective workers should be interviewed at the port of embarkation by an appropriate public official. If the worker refused to sign his contract, the recruiting organisation or the employer was liable for payment of his return journey home. The prohibition of professional recruiting was confirmed and the agencies established by employers' associations could proceed with their operations only on condition that they were approved by the Department of Justice.

In the Outer Provinces, a 1931 Ordinance, amended in 1936, required employers to engage a gradually increasing proportion of free workers. The world depression, which had the effect of creating a labour surplus, hastened this development, while an amendment to the customs legislation of the United States, which would have closed the American market to the tobacco companies employing labour under contracts with penal sanctions attached to them, resulted in the immediate abolition of penal sanctions in respect of 60,000 workers. At the end of 1929, 76.2 per cent. of the workers in medium-sized and large undertakings in the Outer Provinces were employed under contracts with provision for penal sanctions, but the proportion declined to 20.5 per cent. in 1932, and by 1939 the number of workers subject to penal sanctions was 6,531 as compared with 327,405 free workers. In 1941 the penal sanctions were abolished altogether.

It should, however, be noted that protective labour legislation in Indonesia was mainly concerned with the enforcement of the terms of the labour contracts, so that "free" workers with no formal contracts were not so well protected. In normal times the employer had a hold not only over individual workers, but over whole groups, through the advances he could make to them at his discretion, since such advances were not regulated[1]; in times of depression wages could readily be reduced or the workers discharged.

Recruiting operations for the supply of labour to large undertakings in Indo-China, were not started until after the First World War. Although such operations have remained in the hands of professional agents, they have been increasingly brought under Government control. The first comprehensive attempt to provide for the supervision of recruiting and em-

[1] See Chapter V, under "The Remuneration of Labour", for a reference to the measures taken in 1941 to overcome some of these abuses.

ployment of labour under long-term contract was made in 1927. In the following years steps were taken to improve the regulation of recruiting operations, and in 1930 the licensing and supervision of recruiters was dealt with in great detail in a new Order. This contract labour was recruited from the densely populated areas of Tonkin and northern Annam for work on plantations in Cochin-China and Cambodia or in the mining industry. An Immigration Office was accordingly set up in the north, first at Hanoi and later at Haiphong, to be responsible for the administrative supervision of the recruiting operations and for the protection of the recruited workers and supervision of their health. Some account of this system will be found in the report on item III of the agenda (*Programme of Action for the Enforcement of Social Standards Embodied in Conventions and Recommendations Not Yet Ratified or Accepted*). This emigration movement from north to south has at present come to an end, but its volume in the inter-war period may be indicated by the figures of recruited agricultural workers disembarked at Saigon: during the three years 1919 to 1922, the total was 9,143; by 1928, the annual total had risen to 12,977.

As explained in Report III, the employment of contract labour subject to penal sanctions is steadily declining, while the employment of free workers in accordance with principles laid down in Book I of the French Labour and Social Welfare Code is becoming more and more general. Under this Code, the hiring of services is governed by common law; the contract may be made either in writing or orally; it is not registered; its duration is not fixed specifically, but it may be terminated at any time by either party on the giving of due notice; and if the period of notice is not respected, an action for damages may be brought by the aggrieved party before a civil court. This system was introduced in Indo-China by a Decree of 30 December 1936. This Decree and its subsequent amendments were designed to protect the Asiatic workers in accordance with the principles of the Code by defining their conditions of employment. These regulations are enforced simultaneously with those applicable to contract labour, except that they do not cover agricultural undertakings. Consequently, when the system of the employment of free labour was extended also to the rubber plantations and other agricultural undertakings in the south of the country, an Order was issued in Cochin-

China in 1942 for the protection of the health and safety of the workers in agricultural undertakings employing not less than 10 persons. Particular attention is paid in this Order to conditions of recruitment and repatriation and the provision of adequate housing and other living conditions; to some extent the protective provisions in force for contract labour have served as a guide in this respect.

A transition of the same kind has also taken place in the other French territories in the Pacific where Annamite labour used to be imported under the contract system. Labour so employed in the mining undertakings in New Caledonia (about 12,000 workers) and in the plantations of the New Hebrides (about 2,500 workers) was brought and placed under the regulations applicable to free residents in 1945 by Orders issued that year.

The transition from the contract system to voluntary employment in the case of the Filipino workers employed in Hawaii was comparatively rapid. These workers were largely used by the Hawaiian plantations from 1907. By 1930 there were 63,052 Filipinos in the territory, of whom 10,380 were local-born. The migration was stopped in 1934. In 1939 the Filipinos in Hawaii numbered 52,430, of whom, however, about 30 per cent. were local-born. Recruiting was governed by a Philippine Act of 1915 under which the Hawaiian Sugar Planters' Association obtained workers for employment by their members for a period of three years, at the end of which the migrants were entitled to repatriation. The system came to an end in the early 'thirties, but it is noteworthy that in 1925 the Director of Labor of the Philippines commended it as satisfactory and providing practical freedom to the worker to continue in or leave employment:

> The labour supply on the plantations is passing through a rapid transition, from uneducated imported alien labour to native-born citizen labour (children and grandchildren of the original immigrants) taught in American schools. Citizen labour, which formed only 12 per cent. of the total on the plantations in 1930, already constitutes 45 per cent. (July 1939). Since citizens now comprise four fifths of the total population of the Islands, the percentage of citizen labourers on the plantations may be expected to continue to rise rapidly.[1]

[1] "Labour Conditions in Hawaii", in *Monthly Labor Review* (Washington), Dec. 1940-Jan. 1941.

As this brief survey has shown, marked progress has been made in the past two decades in the conditions of engagement for employment, particularly on plantations and in mines, of migrant as well as indigenous workers in Asiatic countries. The lines of further progress in this direction would seem to consist in the improvement of the administrative machinery for the regulation of the flow of migration from one territory to another, which experience has shown to be well-suited for the purpose; in the establishment of similar machinery for areas for which it has not yet been brought into existence; and in the enforcement of the regulations adopted by the International Labour Conference concerning this question. The wartime changes in some of the territories concerned have been far-reaching, and the question may have to be reviewed in the light of the conditions at the present time. An indication of the extent to which these regulations have been put into force is given in Report III, and during the discussions on that Report the Conference will have an opportunity to express its views.

The "Jobber" System

Rural workers who are dispossessed of their land by debt or who desire to acquire a small surplus with which to improve their condition and are ready to migrate to distant places of employment usually attach themselves to a returned native of the district with experience of such places. He acts as a recruiting agent, makes arrangements for the transport, is frequently willing to accommodate himself to any demands for the payment of advances, and, even after the recruits have been admitted into employment, fulfils the part of the intermediary between them and the employer for the accomplishment of tasks set, for supervision, the distribution of wages, the provision of welfare facilities and various other matters. As often as not, the employer and the employees have widely different social and even geographical backgrounds and the arrangement has not been without its advantages. But it is also open to abuse, as has been amply demonstrated. It is perhaps no exaggeration to say that on the whole the consensus of opinion at the present time is in favour of promoting direct relations between the workers and the employer.

The situation in China in this respect in 1933 has been described as follows by a Chinese writer:

It has been estimated that of the 2,000,000 mining population in China no less than 80 per cent. are affected by the labour contract system. This consists of a customary arrangement whereby the mine owner delegates the hiring of labour to some middlemen, generally called the "pontou," who are usually foremen and supervisors in the mine so that they may constantly watch over the labour they hire, and thus relieve the mine owner from any direct relationship with the workers . . . The contractor usually deducts 10 per cent. and sometimes 20 per cent. of the miners' wages as his commission, and in cases where the operation and management of the mine is entirely entrusted to the contractor, his commission runs up as high as 60 per cent. of the compensation for the work agreed upon . . .

The contractor also retains from 30 to 50 per cent. of the miners' wages to cover their food. In the overwhelming majority of cases the miners are in debt to the contractor for money advanced for a variety of uses, so that when pay day arrives the miners see but little of their earnings . . . Although attempts are being made to abolish this system, contract labour still (in 1933) constitutes the major part of the working force of those mines . . .

Organised into powerful gangs, the labour contractors and their subordinates usually retain 60 to 80 per cent. of what the steamship companies pay for the loading or unloading of cargo. When one bears in mind that in Shanghai alone, no less than 70,000 to 80,000 wharf coolies are under the domination of labour contractors and gang leaders, one may easily realise what an immense sum of money the wharf coolies have been losing year in and year out.[1]

The responsibility for the engagement of workers for most of the perennial factories in India is apparently still left largely to intermediaries, especially jobbers. Before the Second World War, owing to the increasing pressure of population, recruitment through jobbers also spread to the seasonal factories in varying degrees. According to Professor R. Mukerjee: "In some of the best organised industries in the country, such as the cotton and jute factories, engineering and metal works, contractors engage and recruit workers to an extent unknown in any other country, although the management can easily secure labour at the factory gates in industrial centres."

"The jobber", observed the Royal Commission on Labour, in its report published in 1931, "known in different parts of India by different names, such as 'sardar', 'mukadam' or 'maistri',

[1] LOWE, CHUAN-HUA: *Facing Issues in China* (Shanghai, China Institute of Pacific Relations, 1933), pp. 21-23.

is almost ubiquitous in the Indian factory system and usually combines in one person a formidable series of functions." A mechanic, or a fitter or an overseer, may also be the *de facto* recruiter and exercise in a number of factories the powers of punishment, dismissal and the granting of leave to the workers.[1] The system of recruitment through the jobber is, in fact, responsible for the evils of bribery, corruption, and favouritism. The jobbers exercise considerable powers over the engagement, dismissal, and promotion of operatives in jute mills, which are largely managed by Europeans who do not know the language of the workers and are not generally familiar with their economic and social background.[2]

This system has no doubt contributed to the high labour turnover in India. In a large number of factories, as remarked by the Royal Commission on Labour, "the fresh employees engaged each month are at least 5 per cent. of the establishment, so that, in a period of less than two years, the fresh engagements exceed in number the total labour force".

The difficulties of securing an adequate labour supply for the plantations and mines are accentuated by the long distances separating the recruiting areas and the places of employment and the unhealthy conditions of life or of work (damp climate in plantations and unsatisfactory conditions of underground work in mines), but they have led to a more effective organisation of recruitment than in the case of factories.

The methods of obtaining workers for plantations vary according to their proximity to the sources of labour supply, but the employment of intermediaries is widely prevalent. In south India, where labour is drawn from the vicinity of the plantations, recruiting is carried out by kanganis and maistris who receive loans from the planters free of interest,

[1] The Textile Labour Association of Ahmedabad observed in its reply to the Questionnaire of the Textile Labour Inquiry Committee (1938):— "Under the present system the power of recruitment, dismissal and promotion has been left in practice entirely in the hands of head jobbers and mukadams whose calibre, status, education and competency for such a responsible task cannot be considered adequate for the purpose."

[2] It might be mentioned that in Japan the evil of bribery and corruption of the jobber, the "oya bun", who used to deduct 10 to 14 per cent. of the wages of workers under him, particularly in the textile industry, was successfully checked by the establishment of employment offices. In 1930-31, for instance, one million general workers and 5 million casual labourers applied for vacancies at these offices. Cf. I.L.O.: *Industrial Labour in Japan* (Studies and Reports, Series A. No. 37. Geneva, 1933), pp. 296-300.

with the aid of which they make advances to prospective recruits and pay the expenses of the transport of the workers and their families to the plantations. Although the tea gardens in Bengal recruit their workers through "sardars" (or headmen), the recruiting operations are apparently still virtually unregulated. On the other hand, recruitment for the tea gardens in Assam, for which at one time recourse was had to the indenture system, is now strictly regulated. In 1915 the indenture system was abolished and the Assam Labour Board was set up for the regulation of sardari recruitment, or recruitment by old-established workers in the villages of their origin. With the passage of the Tea Districts Emigrant Labour Act in 1932 the Board was replaced by the Controller of Emigrant Labour, the free movement of labour to the plantations was facilitated, the recruiting and forwarding operations were brought under the control of the provincial Government in the recruiting areas, and the migrant workers and their families were accorded the right of repatriation at the expense of the employer at the end of three years of service on the plantations. With a view to ensuring a sufficient supply of labour, the employers have always encouraged the settlement in Assam of workers who desired it.

The majority of the mine workers belong to the aboriginal peoples. Most collieries carry out recruitment through contractors. In some cases the activities of the contractors are confined to recruitment, but in others they continue to be intermediaries between the management and the recruits even after the recruits have been admitted into employment. Sometimes, however, recruitment is done through sardars, or agents of the mine management. In all such cases the procedure is much the same: the recruiter visits the villages in which he has connections, makes advances, pays the railway fares and brings the workers to the collieries. The most important agent in the coalfields is, however, the raising contractor, who both recruits the miners and employs them, undertaking on behalf of the mine management the whole process of mining and loading the coal. Shortly before the war, the Indian Mining Association estimated that about 70 per cent. of the coal output in the Jharia coalfield and about 40 per cent. in the Raniganj coalfield was mined by raising contractors and the rest under the direct method of recruitment; in the Central Pro

vinces about 90 per cent. or more and in Hyderabad the whole of the output of coal was raised by contractors. According to the report on a Government enquiry into the conditions of labour in the coal mining industry carried out at the end of 1945, nearly half the labour in Jharia, Raniganj, Giridih and Bokaro mines covered by the enquiry was employed and paid indirectly. The proportion for the Government railway collieries (Giridih and Bokaro) was as high as 83 per cent.

Jobbers such as those described above are also employed in various other parts of southeast Asia. Before World War II, it was common for Indian workers to be engaged by maistris for employment in Burma in docks, rice mills, sawmills, and mines. The system declined during the war, but the possibility of its recrudescence if any shortage of labour arises cannot be excluded. Many employers, supported by public opinion, have decided to recruit Indian labour only when Burmans are not available. They have also decided that, should recruitment of Indian labour become necessary, they will make themselves directly responsible for its transport to Burma and subsequent repatriation, and they will concern themselves more closely with the worker's welfare, paying their wages directly and not through the maistri.

In Ceylon, information recently obtained by the Commission on Social Services as to the extent to which large firms in Colombo used contract labour, showed that the total number of persons employed under contractors was 3,611, of whom 1,312 were skilled workers, 116 semi-skilled, and 2,183 unskilled. The total number supplied by contractors to other firms was 6,422, of whom 1,663 were skilled, 400 semi-skilled, and 4,359 unskilled. The contract system was widely resorted to during the war. Since then, however, most of the loading and shipping companies have taken steps to promote the decasualisation of labour and they prefer direct employment.

In Indo-China, the jobber, known as the "cai", may simply be a recruiting agent or he may assume in addition the functions of a foreman and become in effect responsible for the discipline of the workers under his orders. In other cases, he is appointed by the manager of the undertaking and entrusted with responsibility for the engagement of labour, the organisation of work, and the payment of wages. It was for the purpose of putting an end to this system that it was decided in

1937 to extend the network of public employment offices in order that they might be used for the placing of Indo-Chinese workers.[1]

In Malaya, Chinese labour for the estates is usually engaged through contractors to whom the managers hand over the wages for the men. The contractors charge a commission on the wages as a consideration for services rendered in connection with recruitment, or make deductions for credit extended to the men by stores or shops run by them. These contractors' canteens, being the only sales depots of the kind on the premises, are virtually a monopoly. It would thus seem that, in areas to which Asiatic workers migrate, the jobber system develops sooner or later as a feature of the employment organisation.

It is not easy to suggest a simple or ready remedy to the persistent evil of the engagement and employment of workers through jobbers or contractors or intermediaries of one kind or another, for the obvious reason that the elimination of such agents can only be brought about by economic development, and an increase in the volume of employment and the demand for labour. The worker may thus be enabled to enhance his standard of living and improve his capacity to protect his own interests; the employer on his side will not then feel that the worker cannot be counted upon to fulfil the responsibilities entrusted to him, but needs to be carefully watched at every step. Side by side with economic development, it will, however, be necessary to take steps designed to promote industrial relations generally. A rapid extension of the employment service organisation might also be aimed at, and as soon as the employment services which are at present being established in some of the Asiatic countries have gained some experience, it might be worth while to study the question of specialisation in various branches of economic activity and to have periodic meetings of representatives of these services for that purpose. The particular needs of each branch of employment will have to be carefully surveyed and suitable machinery to satisfy these needs set up, if the intermediaries, who at present perform these functions, are to be eliminated.

[1] The number of placements made by the employment offices is still very small showing that a large number of workers continue to be engaged by other means ; the total number for the Saigon office in 1946 was 1,800.

Vocational and Technical Training

It has not been possible to collect the necessary information to enable a comprehensive survey to be made of the existing facilities for technical and vocational training in Asiatic countries. The importance of the subject cannot, however, be exaggerated, particularly in view of the far-reaching nature of the economic development projects adopted in these countries as part of their reconstruction planning. It is hoped that it will be possible to procure the data in time for the proposed Conference in China in 1948, if the present Conference recommends that this question should be placed on the agenda of that Conference, and if the recommendation is approved by the Governing Body of the International Labour Office.

It may, however, be remarked here at the outset that, although for the sake of convenience vocational and technical training is dealt with under industrial employment, it is not assumed that such training is necessary or useful for the purposes of industry alone. In Asiatic countries, agricultural development, the urgency and importance of which is undeniable, can be proceeded with only to the extent to which staffs trained in improved methods in the various branches of cultivation, forestry and fisheries are made available in sufficient numbers to be able to bring influence to bear in the vast stretches of rural areas that are at present more or less completely isolated from the outer world and are immersed in their secular traditions. Public works construction of all kinds—the development of communications, irrigation works, and electric power development—and the reorganisation of cottage and small-scale industries, moreover, call for a very large supply of trained workers.

It is no less necessary to call attention here to the trend of opinion in Asiatic countries which considers that the existing system of public instruction has tended to overemphasise literary education and has failed to adapt the outlook of the pupils in primary and secondary schools as well as in higher centres of learning to the urgent tasks of economic development in their own immediate environment. Such views, which were widely current during the inter-war period, have gained added weight as a result of the Second World War, in the course of which the inadequacy of the existing supplies of trained workers

for the demands made upon them by the war was amply demonstrated.

Reference has been made above to the steps taken, mainly in China and India, for the regulation of the employment of skilled workers during the Second World War with a view to their utilisation to the maximum advantage in the war effort. Numerous measures were also taken to increase the supply of these workers, and a brief survey of such measures would seem to be a fitting prelude to the further study of the subject.

China

Wartime Measures.

Before the war there was little opportunity in China for technical education for workers in machine shops and factories, although such experiments as those of the Industrial and Economic Division of the Shanghai Municipal Council (International Settlement), which began a series of short-term classes in 1937, may be mentioned. But when during the war a number of industries were removed from the coastal areas to the interior, the difficulties of transferring a sufficiently large supply of skilled workers to man them led to an attempt to train locally recruited workers. The time required for, and the cost of, training a fresh recruit from the rural areas for industrial employment varied according to the nature of the work. The minimum period necessary for training for the machine tool industry was one year and the cost, which was 200 dollars in 1938, rose to 350 dollars in 1939, 800 dollars in 1940, and 3,000 dollars in 1941. In the textile industry the period of training was only three months and the cost was 50 dollars in 1938, 100 dollars in 1939, 200 dollars in 1940, and 900 dollars in 1941. In the case of such industries as the textile the training was usually given in factories by the owners at their own expense; but Government assistance was provided for the training of workers for more skilled work, as in the heavy industries, which took a much longer time.

In July 1940 a training scheme was drawn up by a special Bureau set up by the National Defence Industries Commission, at an estimated cost of 13,200,000 dollars. Under this scheme, which was put into operation in 1941, the trainees, selected

from among young persons who were over 16 and under 20 years of age and had completed a course of studies at a primary school, were divided into three categories: those to be employed as specialised technicians, those to be employed as skilled workers, and those to be employed as ordinary trained workers. For the first category the period of training was 5 years (including 2 years of practical work in munitions factories), for the second it was 3 years (including a year of practical work in Government factories and university research laboratories), and for the third it was limited to one year of practical work in private undertakings.

In addition to technical training, the trainees were given courses on the principles of the Kuomingtang Party and military training. During the period of training, board and lodging and working apparel were furnished free of cost and an allowance was also made for pocket money. When the training was completed the trainees were given suitable employment and the conditions of employment were specified. They had to agree to work under those conditions for a period of 3 years, and penalties were provided for leaving work before the end of this period, including a liability to refund the entire cost of the training. In March 1941 steps were taken to enable workers who had reached military age to continue in training for skilled occupations. According to the Statistics Department of the Ministry of Economic Affairs, 8,914 persons were trained by the end of 1945 by the Bureau for the Training of Skilled Labourers, which had been set up by the National Defence Industries Commission. General vocational training was provided by the vocational schools established by the Ministry of Education in various places. The vocational schools totalled 384 in 1943 and the students attending them, 67,929, including 22,817 from technical schools. It should be added that in the course of the working of the scheme described above, some attention was given to the reorganisation of apprenticeship training, as it was found that the trainees were for the most part illiterate, with their working habits already formed in previous occupations such as farming, and hardly capable of the necessary readjustment to industrial occupations.

In addition to the establishment of special training facilities in the country, the Chinese National Government also made arrangements for the training abroad, and more particularly in

the United States, of Chinese professional and technical workers in engineering, agriculture, sanitation, education and other matters, with a view to ensuring an adequate supply of administrative personnel for the intensification of the war effort and the carrying out of plans for post-war reconstruction. Thus, some 35 Chinese technical workers, many of them graduates of engineering schools in China with several years' practical experience of engineering and other basic industries, were trained in the United States, having been sent there for the purpose by the National Resources Commission of the Chinese Ministry of Economic Affairs at the expense of the Commission. They had been in the United States since 1942 and were trained in American power generation, transmission and distribution plants, chemical, iron and steel, and machine tool works, oil producing or refining, and other plants. A large number of private industrial concerns and several official agencies, including the Tennessee Valley Authority, provided the necessary facilities. The National Resources Commission, which planned to send to the United States some 150 additional technical workers for such training, made the necessary arrangements, with the assistance of various official American agencies, such as the Engineering Division of the Foreign Economic Administration. In addition, 20 Chinese with several years' managerial experience in basic and heavy industries arrived in the United States in order to familiarise themselves with American conditions, and they were to be followed shortly by 20 others. For training in railway administration the Foreign Economic Administration sanctioned the necessary expenditure on behalf of 110 Chinese technical workers who had participated in the war effort (40 in civil, and 40 in mechanical, engineering, 20 in traffic operation, and 10 in electric signalling and communication). The selection of the trainees was made in China. Their travelling expenses and subsistence allowance in the United States were borne mainly by the Foreign Economic Administration, but some contribution was also made by the Chinese authorities and the railway authorities concerned. Twelve of the principal American railways agreed to provide training facilities, and the training in the United States was supervised by a Sino-American committee consisting of three nominees of the Chinese authorities, three of the Association of American Railroads, and one of the American Office of Defence

Transport. The United States Congress appropriations for 1945 included a sum of $4.8 million to the Foreign Economic Administration for the training of Chinese professional and technical workers in the United States. It was proposed to train some 1,200 such persons (including 300 medical officers and 200 communications experts), and it was estimated that the training, including travelling expenses, would cost $4,000 per head.

Steps were also taken to assist Chinese students who were in the United States at the time of the attack on Pearl Harbour, numbering about 2,000 graduates and undergraduates. The China Institute, Inc., which had been engaged in assisting Chinese students in the United States since the First World War, had been of considerable help in enabling them to continue their studies. The United States share of the Boxer Indemnity Funds, which has been an important source of support for Chinese students for many years, was particularly useful in the emergency. Help was also forthcoming from other sources. In two years 124 scholarships at $75 a month were secured from the United States Department of State and 183 additional scholarships from the Committee on Wartime Planning for Students, a body which was set up on the initiative of the Chinese Government. In addition, facilities were secured for training Chinese students in different American industrial and other undertakings. In some cases the students were engaged as regular employees, while in other cases they were given facilities for comprehensive training and were moved from one department to another. The aggregate annual income of these student trainees, who were now self-supporting, was nearly $1.25 million, and the average monthly income $218 per head. In May 1944 there were 474 such trainees The Institute was also engaged in the preparation of a census of technically trained American men of Chinese ancestry.

Finally, it may be noted that the General Engineering Division of the United States Foreign Economic Administration drew up a plan providing for the training of Chinese and other foreign students in the United States for the food, engineering, textile, transportation, hydraulic power, fuel, chemical, mining, steel and other industries in courses of 17 months' duration. Fourteen American universities agreed to adapt their courses to the requirements of such training.

Post-War Arrangements.

An organisation has been set up under the Ministry of Economic Affairs to undertake the technical training of skilled workers. All well-equipped factories and mines employing 100 or more workers are required to carry out a training programme, taking on not less than 5 apprentices each. The programme for 1947 provides for the training of 10,000 workers, including 7,000 in the mechanical engineering industry, 1,000 each in the manufacture of electrical appliances and the chemical industry, and 500 each in the mining and metallurgical industries. In order that the general public might realise more fully the importance of technical training, a travelling exhibition has been organised to tour the principal industrial and mining districts. Public lectures are also given. A series of technical books has recently been published to meet the needs of apprentices, in view of the shortage of suitable books and pamphlets of this kind. Lastly it may be noted that the good results obtained in various countries from psychotechnical tests for trainees have led to an investigation of the means of introducing similar methods in China.

As regards the training of workers in the United States, when lend-lease funds were suspended in August 1945, the Chinese Government assumed the responsibility for the trainees who had arrived in that country. The total number of trainees in November 1945 was 457.[1]

The Ministry of Education decided to hold an examination for the selection of trainees to be sent abroad early in 1946; the examination was open to Government scholarship holders as well as others. The number of Government scholarship holders to be sent abroad was increased to 1,000 and the countries to which the trainees would be sent were no longer restricted to the United States and the United Kingdom. The Ministry also decided to recall trainees who had completed their training abroad to aid in the rehabilitation of China.

During the war, the Government had established a National Commission on Relief and Rehabilitation for the purpose of co-

[1] They were distributed as follows among the various branches of industry: electric power, 65; mining, 37; metallurgy, 54; petroleum, 22; machinery, 65; electrical manufacture, 44; chemical industry, 65; food industries, 6; industrial management, 50; hydraulic engineering, 18; sanitary engineering, 4; radio manufacture, 8; scientific instrument making, 10; printing, 6; and cinema photography, 3.

ordinating the activities of the various Ministries concerning reconstruction immediately after the war, in association with the United Nations Relief and Rehabilitation Administration. Forty-one Chinese professional technical workers were sent to be trained immediately in the United States for the necessary preparatory work, with the assistance of funds provided by UNRRA, and subsequently 109 more. Courses were provided for them in such subjects as the structure and functions of various international organisations, health organisation (epidemic prevention, hospital administration, sanitary engineering, maternity care, nursing and nutrition), agriculture (soil preservation, application of fertilisers, agricultural economics, horticulture and animal husbandry), engineering (river flow regulation, flood control, irrigation and hydraulic engineering), and social welfare work (administration of labour laws and child welfare).

Programmes for the training of welfare personnel have also been carried out on a large scale in China itself, mainly through the 16 regional offices [illegible] jointly by the Chinese National Relief and Rehabilitation Administration and UNRRA. At a conference held by these two bodies in Shanghai in April 1947, with the participation of the Ministry of Social Affairs, a resolution was adopted recommending that the Ministry of Education should be requested to include scholarships for welfare work among those provided from public funds for study abroad.

India

Wartime Measures.

In India, in June 1940 the Central Government appointed a committee to examine the nature and extent of the training facilities provided in the existing technical institutions in the country and to recommend measures to improve those facilities and adapt them to wartime requirements. In the following month the Department of Labour of the Government of India drew up its first training scheme, providing for the training of some 3,000 semi-skilled tradesmen. Within three months the scheme had to be expanded.

The training scheme, which was not only initiated but also administered by the Labour Department, covered all the main

engineering trades, including fitting, turning, machining, instrument-making, welding, sheet-metal work, tool-making, blacksmithing, moulding, and pattern-making. It also covered the Indian States. For the purpose of inspection and supervision the country was divided into five regions, and training was given in accordance with specimen syllabuses prepared by the Department. The courses varied from 3 to 9 months in the first instance and were subsequently extended to 12 months in some cases. Candidates for training were selected by the national service labour tribunals or by local selection committees or recruiting officers appointed by the tribunals.

On the completion of their training, the trainees were trade-tested and placed in employment in the defence services or in civil industry according to requirements. While under training, trainees received stipends varying from 24 to 30 rupees a month, according to their educational attainments and the relative cost of living in the locality. On admission to a training centre, each trainee received a free issue of two sets of workshop clothing and was entitled to a small advance for the purchase of personal requirements. Free medical treatment was provided and if a trainee was injured, he was entitled to the benefits provided by the Indian Workmen's Compensation Act. Sports and physical training were encouraged; the Government provided a grant for the purpose. Hostel accommodation was provided at most of the larger centres.

An interesting feature of the scheme was the concentration at special centres of trainees who volunteered for Army service. The enrolment might take place at any time after joining a training centre, and the trainees accepted for Army service received Army rates of pay or an allowance in lieu thereof.

The scheme was initiated with 1,800 Indian instructors and 100 British specialist instructors obtained from the United Kingdom through the good offices of the Ministry of Labour. The critical shortage of machine tools and precision instruments for training purposes was made up by a supply secured from the United States under lend-lease arrangements. The scheme was revised from time to time in the light of the experience gained in its working. The smaller and less efficient centres were gradually closed down and the more successful ones were developed. At the end of January 1945 the total number of persons who had completed their training under the scheme

was 86,223, while the number under training was 21,425. There were 164 centres at that date, with a total capacity for training 30,588 persons.

It is not without interest to note in this connection that in 1943, in view of the poor physique of the greater part of the trainees, the Government decided to set up depots in which prospective trainees would receive regular physical training and, where necessary, would be given shark liver oil treatment as well. In the same year systematic periodical medical examination of the trainees was instituted and, in view of the mounting prices of food grains, arrangements were made for the sale, at different training centres, of grain at concession rates to the trainees and to instructors receiving less than 200 rupees a month.

In addition to this scheme, various less extensive schemes were instituted during the war. Early in the war, provision was made for the training of junior technical staff and semi-skilled artisans required for the expansion of the Ordnance factories. The scheme aimed at training by 1 September 1942 10 assistant works managers, 1,300 supervisors, and 6,000 skilled and semi-skilled artisans in Ordnance factories. Staff selected from these factories were sent on deputation to the United Kingdom to study the latest production methods. Arrangements were made for giving to trainees who had completed their training under the Labour Department's scheme advanced training for a period of 8 or 9 months in civil industry as machine tool artificers and tool makers. The Labour Department's trainees who had applied for Army service but had failed to attain the required physical standard were afforded facilities for further training for 2 to 4 months in aircraft repairs. A small centre with 250 seats (189 of which were occupied in November 1943) for training young persons as naval artificers for the Royal Indian Navy was instituted. In response to the demand for clerical staff for the defence services, centres were also instituted for giving the requisite training to selected persons. In November 1943 there were 21 such centres, with a total training capacity of 5,211 persons a year.

Finally, reference should be made to another scheme, which owed its inception to the former British Minister of Labour and National Service, Mr. Ernest Bevin, for advanced practical training in industrial undertakings in the United Kingdom

of selected Indian workers with three years' engineering experience in workshops. Under this scheme, which began early in 1941, workers were sent in groups of 50 to the United Kingdom. The period of training, which was 6 months in the first instance, was subsequently extended to 8 months, the groups were enlarged from 50 to 75 by the inclusion of 25 aeromechanics, and provision was also made for the inclusion in each group of 15 workers trained under the Labour Department's training scheme who had passed their trade tests with credit and had acquired at least a year's practical experience in a factory engaged in war work. Workers trained under this scheme have as a rule found it fairly easy to secure employment on their return at wages appreciably higher than those they had previously received. Up to February 1945 the total number of trainees sent to the United Kingdom was 713. One of the recommendations of the advisory committee on training, mentioned below, was that this scheme should be adapted to post-war requirements, by the extension of its scope so as to include industries other than engineering, the careful selection by regional committees of craftsmen for specialised training, and the extension of the period of such training from 8 to at least 12 months.

Post-War Arrangements.

With the end of the war in prospect, the future of the Government training scheme came up for consideration. It was felt that as against the considerable reduction in the demand for trainees for employment in Government undertakings or in the defence services, the demand for technical personnel for various post-war development schemes of Governments, both Central and provincial, and for industrial development in general would increase over pre-war needs. An Advisory Committee, consisting of representatives of Government departments, employers, workers, and other important interests, was set up by the Government in 1944 to review the working of the wartime scheme and to recommend measures for adapting it to meet the peacetime requirements of industry. The Committee recommended the establishment of an apprenticeship scheme on a national basis, with provision for training for two years at a training centre and a year and a half of practical training in a factory; the establishment of a Central Institute

for training instructors; and the immediate provision in different provinces of training facilities for 4,608 workers. The other recommendations made by the Committee included the linking of training to school education and the admission of boys of 14 to 15 years on leaving school; the requirement of a higher minimum standard of general education for admission to training; and the co-ordination of any existing apprenticeship system in factories with the technical training scheme.

The above recommendations are under the active consideration of the Government. Meanwhile, the Labour Department of the Government of India has already instituted as a beginning training schemes, both technical and vocational, for ex-service men and women with a view to their absorption in civil industry. The pattern of these schemes is on the lines of the recommendations of the Advisory Committee.[1] Up to November 1946 trade testing officers at demobilisation centres had interviewed 123,302 ex-servicemen, of whom 51,477 were recommended for technical training. At the end of the month 4,329 were actually under training.

Siam

There are in Siam three grades of training schools, for such crafts as weaving, carpentry, sewing, hairdressing, modelling, etc. Instruction is free in the lower grade schools. The average annual number of trainees is about 7,500.

Burma

A comprehensive scheme of vocational training for Burma, prepared by Professor D. Pendrill Davies of Rangoon University, is under consideration by the Government.

Ceylon

There is very little apprenticeship or vocational training in Ceylon. The only institute of any importance giving vocational training is the Ceylon Technical College, which trains a comparatively small number of engineers. Grants from the unemployment assistance fund have, however, been made to the

[1] For further particulars, reference may be made to the Report on item III of the agenda, already cited, Chapter III, pp. 54-55.

Department of Commerce and Industries, for the training of special classes of unemployed. A number of men have been given training in weaving while being paid a subsistence allowance of 50 cents. a day; and two centres for women coir yarn workers have been established in Galle.

The worker in Ceylon often attains a high degree of manual skill without any other training than that acquired through doing his job. This process has been casual and haphazard, owing to the lack of professional and craft organisations which might have developed adequate apprenticeship rules. The Report of the Commission on Social Services, published in February 1947, suggests that professional and craft qualifications should be laid down by the organisations concerned, but that these should be given active Government encouragement; that the issue of certificates should be in the hands of the educational authorities; and that there should be closer liaison between these authorities and those concerned with employment.

The Report of the Special Committee on Education was published in 1943. The main proposals have been approved by the State Council and it is stated that the Government hopes shortly to be able to turn to these problems.

Indo-China

Vocational training facilities in Indo-China have been recognised to be inadequate and plans for their improvement are under consideration. Most skilled workers obtain their training in the workshop. There are, however, already in existence 8 technical schools with provision for practical training and a higher grade technical school, as well as various schools of arts and crafts, some of which receive grants from the People's Credit Fund. Scholarships are provided for young Indo-Chinese to train in higher educational institutions in Indo-China and in France; the number of such scholarships for 1947 is 27 in Indo-China and 218 in France.

Malaya

In Malaya, rural schools provide some training in gardening, basket making, soap making, and other such crafts. Six trade schools are open to everyone. Their main bias is towards engineering, but they also provide instruction in carpentry, plumb-

ing, tailoring, etc. A factory for practical training is a new venture. Boys first receive technical instruction, and are placed subsequently in a factory run on co-operative lines. An engineering workshop in Kuala Lumpur admits workers aged 18 to 19 years, and trains them for 4 to 5 years, after which it takes them on as skilled apprentices at $M.1.80 a day.

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As will be seen from the report submitted by the Office to the present Conference on item III of its agenda, the International Labour Conference adopted two Recommendations in 1939 on the subject of training, which contain a comprehensive statement of principles, based on the experience gained in a number of countries over a long period of years, for the organisation of technical and vocational training. They provide as valuable guidance as can be obtained at the present time for the framing of policy, and it is for the competent authority in each country to judge to what extent these principles can be applied in the existing conditions. The present Conference might, however, find it useful to concentrate discussion on two main issues: (1) possibilities of making arrangements in advanced industrial countries for the training of Asiatic workers, and the principal points to be taken into account in making provision for such training abroad, in the light of the wartime experience of the training of Chinese workers in the United States and Indian workers in the United Kingdom, and (2) the desirability of making a recommendation to the Governing Body of the International Labour Office that it should place the question of vocational training on the agenda of the Asiatic Regional Conference to be held in China in 1948, emphasising the principal aspects to be studied.

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CHAPTER III

THE EMPLOYMENT OF CHILDREN AND YOUNG PERSONS

Virtually all available statistical information relating to the employment of children and young persons in Asiatic countries concerns industrial employment, and is largely confined to undertakings coming within the scope of "factory" legislation. Consequently, it is hardly possible to attempt an appraisal of the conditions in this respect in agriculture, handicrafts and small-scale industries. While it is true to say that the employment of child labour in these countries has declined in recent years because public opinion is becoming increasingly aware of its drawbacks from the humanitarian as well as the economic point of view, and because of the adoption of measures to regulate the age of admission to employment and the introduction in factories of modern equipment which needs trained workers to operate it, yet it is hard, in the absence of the necessary statistical information, to tell if these factors have merely led to the displacement of child workers from regulated to non-regulated occupations. This is a question which arises in considering, for example, the substantial reduction in the number of child workers employed in recent years in undertakings covered by the Indian Factories Act. The number of children[1] in these undertakings declined from 74,620 in 1923 to 19,091 in 1933 and 9,403 in 1939; in other words, there was a decrease in the proportion of children to the total number of workers from 5.3 per cent. in 1923 to 1.3 per cent. in 1933 and 0.5 per cent. in 1939. There was an increase during the war in the number of children employed, to 12,484 in 1943 and 13,347 in 1944. The proportion to the total number of workers, however, was still 0.5 per cent. in 1943, but it rose to 5.2 per cent. in

[1] The consolidated Factories Act of 1934 defines "children" as those under 15 years of age, and "adolescents" as those under 17 but not under 15.

1944. The statistics for 1943 and 1944 also showed that the number of adolescents employed in these undertakings was comparatively small: 28,062 in 1943 and 30,183 in 1944.

A survey of industrial workers made in 1930 by the Ministry of Industries in China, covering 28 towns in 9 provinces, showed that the child workers formed 6.9 per cent. of the total; while according to an enquiry carried out in 1931 in 228 factories in Shanghai, under the direction of Professor Chen Ta, the children and apprentices formed 8.7 per cent. of the total number of workers. A similar survey, again conducted by Professor Chen Ta, was carried out in Shanghai by a committee of enquiry into labour conditions which the Ministry of Social Affairs set up in August 1946. It covered 1,582 factories, including 1,059 small units, and showed that although only 4 per cent. of the total labour force were children, they formed over 16 per cent. of the workers in the small units. The proportion of children is highest in the silk reeling industry, in which the loss of modern equipment during the war has led to a return to the system of individual boilers (the introduction of the central boiler system in the years before the war had made a substantial contribution to the abolition of child labour).

In India as well as China, child workers are for the most part employed in textile factories. In 1936 the cotton and jute industries in India accounted for no less than 38.3 per cent. of the young persons and 40 per cent. of the children employed in factories; in 1944, the cotton mills employed 1,610 children, and the jute mills 169. The number of children and young persons employed in large industries not covered by the Factories Act seems, however, to be much larger. For instance, in 1927, in the Central Provinces and Berar, out of a total of 30,065 persons employed in the manufacture of "bidis" (indigenous cigarettes), 15,568, or over 50 per cent., were children. It will thus be seen that in the past at any rate the situation in respect of the employment of children in non-regulated factories and workshops was very different from that in the larger factories subject to the Factories Act. Since 1934, however, the provincial Governments have been empowered by the Factories Act to extend factory regulations to factories and workshops employing not less than 10 persons, and several provinces have availed themselves of these powers. Moreover,

the minimum age for admission to employment in establishments for the manufacture of bidis and shellac, for mica cutting and splitting, carpet weaving, etc., has been regulated by the Employment of Children (Amendment) Act, 1939. In undertakings of this kind a fourth of the total number of the workers were estimated to be children in 1931, and it may be presumed that the adoption of the 1939 Act has led to a decline in this number. It should be added that, although the manufacture or processing of these products is often carried on in workshops, a type of industrial home work has also been developed in which child labour is known to be prevalent, though its extent is even more difficult to estimate than in industry proper. The employment of children on plantations still seems to be substantial. For example, out of the 572,351 children under 16 years living on the tea gardens in Assam in 1943-44, 86,520, or 15.1 per cent., were registered on the labour books of the plantations, as compared with the 455,579 adults so registered. They formed about 15 per cent. of the total number of workers, and the corresponding figure for the tea gardens of Bengal and South India was 20 per cent. and 10 per cent., respectively; on the coffee plantations the proportion was 10 per cent., and on the rubber plantations 4 per cent., for India as a whole.

In Ceylon, children are not employed to any appreciable extent except in agriculture, on plantations, and in domestic service. In 1945, the number of children employed on the estates was 80,354, or about 14 per cent. of a total labour force of 567,864. They included 61,891 Indian immigrant children out of an Indian child population of 255,910 living on the estates.

Sufficient statistical material is not available to show the extent of child labour in agriculture in Asiatic countries, although it is known to be considerable, especially for seasonal work in the ricefields. Similarly, there is little information on the employment of children in non-industrial occupations, most of which are as yet unregulated in these countries; but that they are frequently so employed is evident, more especially in itinerant trading and as hotel boys. It is very probable that these unregulated trades, together with small workshops, serve as an outlet for the child labour eliminated from the regulated factories, particularly when the population as a whole is poor and the facilities for primary education are inadequate.

The Recruiting of Child Labour

Although deeply rooted in the traditions of several Asiatic countries, certain methods of recruiting juvenile workers that may involve their exploitation are being gradually eliminated, but they still call for consideration. There are three, in particular: (1) the "mui tsai"[1] system; (2) the pledging of child labour by parents or guardians; and (3) non-regulated apprenticeship.

Domestic Service and the Mui Tsai Problem

For many years a system of recruiting child labour, generally female, for domestic service has been in operation in certain Asiatic countries, more particularly in China, Hong Kong, and Malaya. Under this system, often designated by the term mui tsai, parents transfer a girl, by a deed of sale or of adoption or of presentation, to a family in better circumstances which makes use of her services. The transaction generally implies the payment of an indemnity in money by the family taking over the girl to the family handing her over.

The institution in its original form had its humane side and was not without advantages for a girl who, living in a state of quasi-adoption, was in a better position than an ordinary domestic servant. But modern developments have changed the nature of the system and opened the way to abuses. A network of "traffickers" in mui tsai has come into existence; and the children these agents recruit are often placed at a great distance from their homes, so that they lack the protection which the family could give when they were placed nearer home. "The 'adoption' side of the system has lost much of its significance and, whatever the past may have been in this respect, at present the transfer of a mui tsai is essentially an economic business for the family which acquires the child, for her services are far cheaper than those of a paid domestic servant."[2] Under this system the child is provided with her food and lodging, but the employer has no other responsibility concerning her.[3] The

[1] The term "mui tsai" in the Cantonese dialect is equivalent to the words "little sister", and is used both for the girl herself and to designate the system as a whole.

[2] "The Mui Tsai System in China, Hong Kong, and Malaya", in *International Labour Review*, Vol. XXXIV, No. 5, Nov. 1936, pp 665-666.

[3] It seems, however, that most of the mui tsai contracts require that a suitable marriage shall be made for the child and that she shall not be sold as a prostitute.

result is that the mui tsai are often overworked and ill-treated from their early years; moreover, they seldom enjoy the advantages of primary education and are deprived of a normal family life.

Attempts have been made to control and gradually eliminate the mui tsai system, first in Hong Kong and later in China, Malaya, and other territories in this region.

Vigorous measures have been taken in China to abolish the mui tsai system. On 27 January 1936 new regulations were enacted prohibiting the keeping of mui tsai out of charity or as adopted daughters. During a specified period of investigation, persons who kept mui tsai had to apply to the competent authorities for registration; the mui tsai themselves could also apply for registration, either in person or by proxy; and, when duly registered, they were unconditionally emancipated and recovered their freedom. If adult mui tsai are willing to remain in employment with their former masters as domestic servants, they may do so and their wages are fixed by the administrative authorities.

As early as 1923, a Female Domestic Servants Ordinance was enacted in Hong Kong[1], providing that no person may take any mui tsai into his employment or employ any female domestic servant under the age of 10 years; severe penalties are provided for breaches of the law. Moreover, competent public officials may, if they consider it desirable, remove a mui tsai from her place of employment and arrange for her future custody, control, and employment; mui tsai are under the guardianship of the Secretary for Chinese Affairs. One part of the Ordinance, which was not brought into force until 1929, provides for the registration of mui tsai by the Government, for their remuneration according to a scale fixed by the Government, and for inspection and control by Government officials (a European inspector and two Chinese women assistants). The results of the measure are difficult to estimate. The reports of the Hong Kong Government show a decline in the number of mui tsai since registration was put into force (from 4,368 in June 1930 to 2,291 on 30 November 1934); but according to the report published by a special committee in 1935, these figures probably do not give a true picture of the situation, the reason being that

[1] The Ordinance was amended in 1929 and 1936.

inspections are difficult to carry out and that it is often hard to distinguish between an adopted daughter and a mui tsai. The committee proposed that the guardianship of all children sold, given away or adopted should be vested in an official, who should be able to enforce his rights as guardian in a summary way, either in the Supreme Court or before a magistrate. It also recommended that girls bought and used as domestic servants should be secured wages at least as high as those current for the same class of service.

In Malaya, measures enacted in 1932 and based mainly on the Hong Kong Ordinance give a wider definition of mui tsai so as to cover a greater variety of methods of recruiting girls and to overcome the difficulty of distinguishing between mui tsai and adopted daughters. The Malayan regulations specify further that a young woman ceases to be a mui tsai at the age of 18 years, whereas the Hong Kong law includes no provision on this subject. It should be added that the Government of the Malayan Union has observed that with the separation of the administration of Malaya into the Malayan Union and Singapore, each under its own Governor, separate Departments of Social Welfare have been set up, which are responsible for carrying out the functions of the Protectors under legislation relating to mui tsai, children, and the protection of women and girls. Amendments to bring the legislation relating to children and the protection of women and girls up to date and the recruitment of specialist staff to secure a better enforcement of the law in the Union are under consideration. A committee is now considering amendments to the Children Enactment to control the conditions of employment of children and young persons, and legislation on the lines of the 1939 amendment to the former Straits Settlements Children's Ordinance relating to transferred children is to be introduced, while consideration is also being given to the introduction of a law relating to adoption. New legislation covering the transfer of children and trafficking was introduced and passed in the Straits Settlements in 1939, but the outbreak of war prevented it from being brought into force; similar legislation was contemplated but, for the same reason, was never brought before the Legislature in the former Federated Malay States. It is now expected that uniform legislation on these questions will be adopted for the whole of the Malayan Union.

The Government of Singapore states that the mui tsai system has died out in that territory. Mui tsai have for many years been required to register, and in 1938 the number of mui tsai registered in Singapore was 270 at the beginning of the year and 208 at the end of the year. During the Japanese occupation, the register was destroyed, but it is assumed that in the intervening years, the 208 registered at the end of 1938 have reached the age of 18 and ceased to be mui tsai. The Mui Tsai Ordinance has in effect been repealed by the Transferred Children Ordinance.

In Ceylon, there is a system which is somewhat different from the mui tsai system and which has been called, for want of a better term, "quasi-adoption". As a result of a number of complaints of abuses, the problem was investigated in 1935 by a joint committee of the Executive Committees for Home Affairs and for Education. It was found that the system gave rise to two classes of child domestic servants: (1) those placed in households as orphans or "unwanted" children, in cases where the responsibility of the parents is in effect replaced by that of others; (2) children with their own parents who have not divested themselves of the responsibility for maintaining them. The committee recommended that a simple system should be adopted whereby a probation officer or social service worker could visit such children until they reach the age of 18 in the case of girls and 14 in the case of boys. The persons taking charge of such children would also be obliged to register as their "custodians", thereby assuming full parental control. After the child has attained the age of 12 years, the adopter would be required to pay a certain sum of money each month to the credit of an account to be opened in the post office savings bank for the benefit of the child. Legislation to give effect to this recommendation has been enacted, in the shape of the Adoption of Children Ordinance, No. 24 of 1941, which also provides for legal sanction for cases of real adoption where the child passes into the home of the adopted parent. This machinery is also to be strengthened by a system of registration in cases where children and girls under 16 years are removed for employment outside their own district to a distance more than 10 miles from their homes; the object is to enable their parents or guardians to remain in constant touch with them.

The International Labour Organisation has already considered this problem. The Recommendation (No. 70) concerning minimum standards of social policy in dependent territories, adopted by the International Labour Conference at its 26th Session (Philadelphia, 1944), expressly states that one of the aims of social policy in all dependent territories is the progressive abolition of all transfers of children to the family of an employer; as a provisional measure it recommends close regulation and supervision of the conditions of transfer and of employment of children where such transfer is permitted by custom. Moreover, the resolution concerning the protection of children and young workers, adopted at the 27th Session (Paris, 1945) and applicable to self-governing as well as non-self-governing territories, urges that "special efforts should be made to eliminate forms of employment involving the placing of children in, or their transfer on a basis of quasi-adoption to, the family of an employer where they work for maintenance".

Since, however, the reason for the transfer of a child to the family of an employer as a mui tsai is primarily economic—the poverty of the family—the mere abolition of the system may raise serious problems for the mui tsai who recover their liberty, since the family may not be able to support them or they may have lost trace of the family. For this reason the Chinese regulations of 1936 provide that minors who are homeless or whose families are financially unable to support them shall be sent to local relief institutions or other charitable organisations. They may also remain with their former employers as free workers, but in that case the administrative authorities must appoint the governing bodies of the relief institution or charitable organisation as guardians; moreover, for homeless mui tsai over 16 years of age, the administrative authorities may, subject to their consent, arrange marriages.

As the Hong Kong committee previously referred to pointed out, direct suppression of the system may result in harm to individual children; what is needed even more is a general improvement in social conditions, child welfare services, and the education of public opinion. Measures of this kind must be generalised if success is to be achieved in combating a custom that the poverty engendered by the war and Japanese occupation might tend to strengthen.

The Pledging of Child Labour for Industry and Agriculture

The recruiting of industrial or agricultural labour by professional contractors in certain regions has had similar unfortunate results for children. Driven by poverty, parents hand over their young children to contractors on payment of a certain sum according to the terms of an agreement, written or oral; the duration of the contract varies, but as a rule it is several years. Groups of young children are recruited in this way, especially in rural districts, and are removed from their homes to be placed, in groups or singly, in workshops, factories or agricultural undertakings. It is obvious that this practice is open to serious abuses. For example, in some cases the contractor is given a right under the contract to all the wages earned by the young workers until the expiration of the contract, and he undertakes to furnish only food and lodging to the children handed over to him. This practice was frequent in Japanese-owned factories in China, and still prevails in that country's cotton industry, most of the children in question being girls. In India, the system has been used to provide labour more particularly for carpet weaving and bidi factories and on plantations, occupations not covered by protective legislation for young workers. In the province of Madras, children were formerly often engaged for the handloom industry under the master-weaver system.

Practical measures were taken in India to eliminate the practice as a result of the enquiry carried out by the Royal Commission on Labour and the recommendations it made. In 1933 an Act was passed prohibiting the pledging of the labour of children under 15 years of age in any employment; the Act also specifies that an agreement made without detriment to a child and terminable at short notice does not constitute a breach of the Act. The Tea Districts Emigrant Labour Act, 1932, lays down that no person under 16 years of age may be assisted to proceed to Assam to work on a tea estate unless the child in question is accompanied by a parent or other adult relative on whom he or she is dependent.

Another method which has proved useful in preventing the exploitation of children is to regulate the working conditions in those occupations in which they are employed. But here

again, large-scale welfare measures are needed, including the systematic organisation of child protection.

In practice, however, the number of young workers engaged under these long-term agreements appears to be declining. At first, the system seemed a convenient way of obtaining submissive, disciplined and cheap workers and of counteracting labour shortage and high labour turnover in industry or in large agricultural undertakings; but the children's output is low, and their labour therefore proves unprofitable, particularly in industrial undertakings with modern mechanical equipment. Thus, even without systematic action for the abolition of the practice, employers in China no longer tend to recruit labour through professional contractors but prefer to engage their workers direct. In India, a decline in the number of child workers in Assam followed the visit in 1929-1930 of the Royal Commission on Labour, which directed public attention to the various abuses connected with the employment of children. From 1928-1929 to 1935-1936, the number of children on the labour books of the Assam tea gardens declined from 20.9 per cent. of the total number of children living on the gardens to 15 per cent., and the daily average working strength fell from 14.4 to 10.5 per cent. of the same total. The proportion of children on the labour books in 1943-44, as mentioned above, was still about 15 per cent., but the children are no longer recruited individually; their recruitment takes place on a family basis.

Non-Regulated Apprenticeship

While well-organised apprenticeship is obviously advantageous to young workers, an apprenticeship system that is one in name only and is applied without discrimination and without supervision leads to the exploitation of juvenile labour. Under the guise of apprenticeship, young boys may be found working long hours for a mere pittance or receiving only food and lodging for their pay. During a few years these boys serve as a cheap labour force for the employer, after which they are dismissed and replaced by other "apprentices". The apprenticeship contract seems to be less and less usual, especially in newer industries, and the employment of young "apprentices" is particularly frequent in workshops and small establishments.

In the printing works in Shanghai, for example, it was found in 1936 that 63 per cent. of the workers were under 20 years of age; in certain branches the proportion was as high as 70 per cent.; the average number of working hours was 11 a day. There has been little improvement in the situation, and it is evident that in the small workshops of China in particular, but also, though less markedly so, in those of other Asiatic countries, the labour force consists largely of apprentices, working under the orders of the employer or an adult worker and receiving only board and lodging by way of pay.

The need for the regulation of apprenticeship in Asiatic countries is, however, fully recognised.

The Chinese Government included apprenticeship regulations in the Factory Act, 1932, which provide for the compulsory conclusion of a contract defining the conditions of apprenticeship: children under 13 years of age may not be engaged as apprentices; during the term of apprenticeship the apprentice must be provided with food, lodging and pocket-money, and the employer is responsible for ensuring his adequate vocational training. The Act also lays down that an apprentice may not be employed on certain jobs and prohibits occupations which involve risks for his health or safety. The number of apprentices in an undertaking is limited to one third of the total labour force of the establishment. When this Act is brought into operation, an improvement should follow, although it does not touch the problem where it is most acute, namely, in the small workshops, since it applies only to undertakings employing not less than 30 persons.

In India, the Advisory Committee on Technical Training set up in 1945 has recommended an apprenticeship training scheme, planned and organised on a national basis and leading to a certificate of craftsmanship.

A committee recently appointed in Ceylon has recommended the establishment of an Apprenticeship Board and the regulation of trade, special, and engineering apprenticeship. These measures, if adopted, are expected to go a long way towards mitigating the evils of non-regulated apprenticeship.

In Indo-China, under a Decree of 30 December 1936, the minimum age for entry to apprenticeship is 12 years; at the age of 20 years the apprentice becomes a worker. In workshops other than those in handicrafts the number of apprentices may

in no case exceed one third of the number of workers; moreover, every undertaking engaged in an industry or trade in which technical training is required and employing more than 30 skilled workers must have a number of apprentices not less than one tenth of the number of workers.

The above ratio of one apprentice to every two adult workers is high, considering that a proportion of 10 to 15 per cent. is generally held to be sufficient to keep an expanding industry supplied with skilled workers. It suggests that where it is adopted as the statutory maximum there is no clear line of demarcation between "apprentices" and young "unskilled workers". Even so, a regulation of this kind helps to eliminate abuses, although by itself it cannot ensure that the training will be adequate. Apprenticeship, to be truly educational, must serve the interests of the apprentice as well as of the employer, and should be organised systematically under public supervision, such as hardly exists as yet in Asiatic countries. By solving this problem, these countries would not only benefit their young workers but would also further their own economic development.

Admission to Employment

Legislation concerning the minimum age for admission to employment is gradually being developed in Asiatic countries, notwithstanding such adverse influences as the poverty of the population and the meagre educational facilities at present available to the masses of the people.

In order to enforce minimum age laws, Governments must wage a never-ending struggle against the counteracting forces of mass poverty and cheap child labour: that is to say, they must have an adequate and competent inspection staff, a virtual impossibility in countries where administrative staffs are small, labour inspection is in its infancy, and there are vast regions to be supervised. Here is one of the chief practical difficulties to be overcome in the enforcement of these laws. Nevertheless, the education of public opinion and the development of technical processes are gradually bringing about conditions which facilitate the enforcement of provisions concerning the minimum age for admission to employment, at least in industry. Thus, in China, before the Second World War and

the subsequent increase in child labour[1], two causes contributed to a substantial reduction of such labour in the silk industry; on the one hand, surveys had shown the unsatisfactory conditions in which children are employed and had aroused public opinion to the cruelty of these conditions; and on the other hand, the technological changes in production required the services of experts and skilled workers.

Further, a country that proposes to establish and enforce a legal minimum age on broad lines, and not only in a limited sphere of economic activity, must possess or organise at the same time a system of primary education on such a scale that school attendance can be made compulsory. This point was recognised in the resolution of the 27th Session of the International Labour Conference already cited. Provisions which prohibit the employment of children are protective in a negative sense. From the positive point of view, the child must be trained for a useful life as worker and citizen.

This aspect of the question has not been overlooked by the public authorities in Asiatic countries. Some of them have made attendance at primary school compulsory. Thus, Siam has had compulsory primary education for the last 30 years, providing four classes to be taken at any age before 14 years. Inspectors keep a check on absentees, and fines are imposed for unjustified absence. In Ceylon, education is legally compulsory at present from 6 to 14 years, and a proposal is at present under consideration to extend the compulsory age from 5 to 16 years with exemptions in certain cases after 15. A system of free education has been introduced, but the figures of school attendance are stated to be very disappointing owing to the financial difficulties and the shortage of teachers, schools and equipment. The Commission on Social Services has recently estimated that slightly more than half the total number of children of school age attend school for three quarters of the year. In Malaya, education has hitherto been compulsory and free only for

[1] The devastation of war and the disastrous effects of price inflation have led to a decline in the standard of living, and, consequently, to an increase in the employment of children. Reports of the Labour Inspectorate stated that in 1944 children hardly more than 10 years old were employed in factories on light work, such as packing matches. "Some of the children...were orphans, but the parents of most of them were employed in the same factory and need their children's earnings" (T. K. DJANG : "Some Problems of Labour Law Enforcement in China", in *International Labour Review*, Vol. LIII, Nos. 1-2, Jan.-Feb. 1946, p. 41).

Malay children, who are given a four-year primary course, but the Government recently decided to introduce free compulsory education for all children between the ages of 8 and 14, the teaching to be given in English, Malay, Chinese or Tamil.

In other countries, compulsory school attendance has been introduced by various local authorities only, and on a comparatively modest scale. In India, 11 provinces had by 1944-45 enacted laws empowering the local authorities to make school attendance compulsory wherever practicable; in some cases compulsion was enforced for a single locality only, or even for certain sections of a locality. In the provinces of Bombay, Central Provinces, Madras, Punjab, Sind, and the United Provinces, however, the measure was fairly widely enforced, at least for boys. Taking the country as a whole, school attendance was low: 27 per cent. of children aged 6 to 11 years, 12 per cent. of those aged 11 to 14 years. But better progress may be expected in the near future. The reconstruction plans of the Government of India include preliminary studies for the setting up of a national system of compulsory and free primary education for all children between the ages of 6 and 14 years; it is estimated that the plan will be brought to completion in 40 or 50 years. Various provincial Governments propose to make school attendance compulsory for all children within a specified period (for example, 35 years in the Punjab). Several Indian States, such as Kapurthala, Mysore and Travancore, are taking similar action. In Mysore, for instance, where a beginning was made on a local basis in 1941, the present attendance figure is 55 per cent., and comprehensive schemes for the extension of compulsory school attendance are under consideration.

In Indo-China, the principle of compulsory education has been adopted, and applied by the local authorities, for part of the territory only, namely, Cochin-China. Nevertheless, the school attendance figure for the country as a whole is fairly high; nearly 715,000 children now attend the Indo-Chinese primary schools, an increase of 25 per cent. on the 1940 figure. It is estimated that three quarters of the total number of children aged 7 to 14 attend school. The school attendance figure is about the same in the French Establishments in India, where schooling is free but not compulsory.

In the Philippines, too, school attendance is not compulsory,

but education is free, the cost being borne by the Central Government. In 1939, 45 per cent. of school-age children (7 to 17 years) were enrolled in public schools.

The obstacles to increased school attendance have been more serious in China. Although a plan was adopted in 1940 to make free compulsory education available to all children aged 6 to 12 years and to combat illiteracy among adults, war damage has led to a decline in the school attendance figures. Between 1936 and 1944, the number of schools fell from 320,080 to 254,377, that of teachers from 702,831 to 655,611,and that of school children from 18,364,900 to 17,221,800—barely one third of the number of children of school age.

Education is not compulsory in Burma, but many Burmese are taught to read and write by Buddhist monks, it being a common practice for a boy to spend some time as a novice in a monastery.

There are several reasons for the widespread and sometimes very serious gaps in the system of primary education in Asiatic countries. In the first place, there are the material difficulties: the lack of school buildings, text books, and above all, teachers, and the insufficient financial resources for procuring these facilities on a scale befitting the rapid growth of the population. In addition, however, there is the fact that, whereas in some places every school, as soon as it is ready, is filled by children eager to learn, in other places it would appear that the existing facilities, even though notoriously inadequate in relation to the number of children of school age, are not turned to full account. At the same time as they have to cope with the material difficulties, the authorities have to use persuasion to overcome this inertia on the part of the local population, an inertia which may be due in no small measure to the lack of sufficient emphasis in the schools on a direct preparation for the child's future career and practical training. The problem of education is admittedly a difficult one in Asiatic countries, but it cannot be overlooked that its solution has a direct bearing on the success of any other social measure concerning the employment of children and young persons.

The Department of Labour of the Government of India has acknowledged that the inadequacy of schooling facilities is the chief obstacle to raising the age for admission to employment from the present 12 years to the 14 or 15 years' standard that is

considered the ultimate goal. In the absence of provision for universal compulsory education, it is felt that it may not be desirable to aim immediately at the limits imposed in countries where such facilities exist. Proposals for gradually raising the legal minimum age are nevertheless being considered, and it may be noted that the fundamental rights to be recognised in the proposed Constitution, mentioned above[1], include the prohibition of industrial employment for children under 14 years of age.

Employment in Industry

Hitherto, minimum age regulations have been confined mainly to employment in industry, where it is easier to apply them and to supervise their enforcement. In some countries, the minimum age for employment in industry has been fixed at 14 years, as for instance, in China (13 years for apprentices)[2], Ceylon, and the French Establishments in India. The British Colonial Development and Welfare Act of 1940 (amended in 1945) fixes at 14 years the minimum age for the employment of children in development work subsidised under Colonial Development Fund schemes. In other countries, the minimum age is 12 years, as in India, Burma, Indo-China, Indonesia, Malaya (former Federated Malay States), and New Caledonia.

In several countries the minimum age was first fixed for "factories", to the exclusion of other industrial undertakings and workshops. The extent to which children are protected against premature employment depends in this case on the definition of the term "factory", which in practice is often limited to large industrial establishments. For example, the Chinese Act of 1932 applies only to factories using mechanical motive power and employing more than 30 persons.

The position was similar in India, but various methods have been adopted for gradually widening the scope of legislation for the protection of children, especially the provisions fixing the minimum age for admission to employment. Thus, as previously mentioned, several provinces have availed themselves of their powers under the Factories Act, 1934 (which applies as a rule only to industrial undertakings using mechanical mo-

[1] See p. 23.

[2] A provision not yet put into force because complementary measures need first to be taken.

tive power and employing at least 20 persons), to declare an undertaking employing at least 10 persons, whether using mechanical power or not, to be a "factory" covered by the Act. An important amendment to the Act adopted in 1940 made many of the provisions and, in particular, those relating to the employment of children, applicable throughout the country to "small factories"—undertakings using mechanical power and employing 10 to 20 persons—provided that the personnel of the factory includes a non-adult worker. It also empowered the provincial Governments to declare an undertaking using mechanical power and employing less than 10 workers to be a "small factory" if the personnel includes a non-adult worker. In the exercise of these powers, several provincial Governments have given special attention to the regulation of employment, and particularly the employment of children, both in "small factories" and in "workshops" (without mechanical power).[1] It is also to be expected that the consequences arising from the employment of non-adult workers will go far to eliminate the employment of children of 12 to 15 years of age in this type of establishment. Lastly, the Employment of Children Act, 1938, as amended in 1939, fixed at 15 years the age for admission to two kinds of employment generally considered to be industrial in the Conventions of the International Labour Organisation, namely, occupations connected with railway transport and occupations involving the handling of goods in ports; it also fixed at 12 years the age for admission to employment in various categories of workshops (other than family undertakings) which are not covered by factory legislation and in which the greater part of the child labour force was to be found. The schedule of regulated workshops to which the Act at present applies comprises 10 types of occupations, including bidi making, carpet weaving, the manufacture of matches, soap and shellac, cloth dyeing and weaving, wool cleaning, and other handicrafts. Moreover, the provincial Governments are empowered to supplement the list for areas under their administration.

[1] Thus the scope of the Factories Act was extended in Bombay to cover factories employing 20 or more workers wherever the process of making "jerda" from tobacco is carried on without the aid of power (Notification No. 2579/34, 12 Feb. 1941); in Madras, a comparable step was taken in respect of places where the manufacture of matches is carried on with or without the aid of power in establishments employing 10 or more workers (Act No. VI of 1941), and in respect of certain classes of small concerns (Notification No. 37, 4 Feb. 1942).

In Ceylon, the minimum age for the admission of children to industrial employment is 14 years, but it is proposed to raise the limit to 15 years. The Ordinance giving effect to the I.L.O. Convention on the subject closely follows the wording of the Convention, which is in fact incorporated in the Ordinance in the form of a schedule.

In Malaya (former Federated Malay States), no child under 12 may be employed in a factory, godown or workshop.

In the Philippines, under an Act of 16 March 1923, the employment of children under 14 years of age in factories and industrial establishments is prohibited on school days, unless the child knows how to read and write.

Asiatic countries have also begun to enact legislation fixing a higher minimum age for admission to industrial occupations which involve special risks. The regulations in question differ appreciably as to the occupations covered and the ages up to which such protection is afforded.

In China, the age for admission to hazardous occupations has, in most cases, been raised to 16 years, the limit fixed by the Factory Act for seven categories of employment involving accident risks (handling of explosives, manipulation of high-tension electrical conductors, oiling and repair of machines in motion, handling of molten metal, etc.) or risk of poisoning.

The Indian Factories Act fixes the minimum age for comparable occupations at 15 years, but raises it to 17 years in the case of young persons who are shown by medical examination to be unfit to work as adults; as already stated, the age of 15 years was also fixed by the Employment of Children Act for admission to employment on railways and in ports, with the same proviso as regards physical fitness. Moreover, the provincial Governments are empowered to issue regulations prohibiting the employment of children and young persons up to the age of 17 in operations which involve risks of accident, poisoning or occupational disease. Regulations of this kind were issued, for example, in 1938 by the Central Provinces and Berar in respect of occupations necessitating the use of lead, rubber, chromium, and other chemical processes involving risks of poisoning or lesions due to dust; and in 1939 the province of Bombay issued similar regulations for the rubber industry and for petrol gas generating plants.

The Burmese Factories Act follows the Indian Act, and rules

have been made prohibiting the employment of children and young persons in various trades such as sand blasting, cellulose spraying, and operations involving the use of soluble chromium compounds.

The Ceylon Factories Ordinance prohibits young persons under 18 years from cleaning machinery whilst in motion and from being employed on dangerous machines without proper instruction, training and supervision.

In Indo-China, under a Decree of 30 December 1936, the unhealthy and dangerous occupations in which children and young persons may not be employed are to be fixed by Orders; for certain occupations the Decree fixes an age limit, and individual supervision of the fitness of young workers is exercised until the age of 18 years.

In Malaya (former Federated Malay States), children under 14 may not be employed in any form of labour likely to be injurious to their health.

In the Philippines, the minimum age of 16 years has been fixed for work done in connection with the preparation of any poisonous, noxious, explosive or infectious substance; moreover, young persons under the age of 18 years may not be employed on any work which involves serious danger to life.

For employment in the mining industry the minimum ages fixed by legislation vary widely. While in China and in Indo-China a child of 12 years of age may be employed on work at the surface of a mine, and in Indonesia a minimum age of 12 years has been fixed for both surface and underground work, India prohibits the employment of a child under 15 years of age whether at the surface or underground, and in the Philippines the minimum is 14 years for surface work and 16 years for underground work. The minimum age for underground work is fixed at 14 years in Ceylon (15 in plumbago mines), at 15 years in Indo-China (under special employment conditions, 18 years), at 16 years in Malaya (former Federated Malay States), and at 17 years in China (by the Mines Act of 1936—still, however, an ideal to be attained, as the law has not yet been enforced; in a survey carried out in the latter part of 1944 in the coal mines of the Kialing Valley the inspector found that many children were employed to excavate coal from small pits and to pump air into the pits). The Ceylon Mines and Machinery Ordinance prohibits young persons under 18 years

from being employed in blasting operations or in tunnels and galleries.

Attention might be drawn to a practice in Asiatic countries that forms yet another argument in favour of developing the facilities for general education and for vocational instruction in the schools. It is that of the voluntary adoption by many large industrial undertakings of an age-limit substantially higher than the statutory minimum age; in extreme cases, they will refuse to admit young persons below the age up to which special protection must be given: 16, 17 or even 18 years, as the case may be.

Other Employment

For other fields of activity—commerce, handicrafts, plantations, etc.—there are few regulations fixing a minimum age for admission to employment. The obstacles to regulation are even greater than in the case of industrial employment, and are especially numerous in Asiatic countries. Only a few legal provisions fixing a minimum age for employment in general, including commerce, handicrafts, etc. have so far been adopted: in Malaya (former Federated Malay States) for example, the age is 7 years (10 years in the case of Indian immigrant children); in the Philippines, it is 14 years for employment in agricultural and mercantile establishments and "other places of labour" on school days, unless the child knows how to read and write. The age for admission to employment in commerce is fixed at 12 years in the Indian provinces of Bombay and Sind, in the French Establishments in India, and in Indo-China, and at 14 years in the Indian province of the Punjab and in Ceylon; in Madras, a Bill to fix the age at 14 years is under consideration. In Indo-China, the minimum age for employment in theatres, etc., is fixed at 12 years, and for employment as acrobats at 16 years; in Malaya (former Federated Malay States), at 14 years for employment in public entertainments; and in the Philippines, at 16 years for employment in billiard rooms, dance halls, race courses, etc., and as dancers, boxers or jockeys. Begging is prohibited in Indo-China for children under 16 years of age. In Ceylon, the employment of children under 12 in agriculture is prohibited by the 1939 Children and Young Persons Ordinance (which is not yet in force);

according to the Minimum Wages (Indian Labour) Ordinance, no child below the age of 10 years may be employed on plantations.

Methods of Controlling Admission to Employment

Various provisions in Asiatic legislation concerning industrial undertakings and, in some cases, commerce, have established useful administrative methods of enforcing minimum age regulations. Among these provisions may be mentioned:

(*a*) The obligation of the employer to keep available to inspectors a register of the personnel. In India and in Ceylon, such registration is obligatory only in the case of children and young persons; in China, the names of all workers of the establishment must be entered on the register and also their ages.

(*b*) A declaration of employment made to a specified authority. In Indo-China, the local inspection office must be notified of the engagement of children or young persons under 18 years of age by an industrial or commercial undertaking.

(*c*) The use of a work book. This system was introduced as a wartime measure in China, where industrial and mining undertakings are required to supply their employees with workers' registration books on which their age and other particulars are recorded; copies of these registration books are submitted to the competent authority, which, when it has approved the employment, issues a certificate of registration.

(*d*) Medical examination, required as a condition of entry to employment. In cases where the registration of births is unsatisfactory, such examination provides necessary information by establishing the child's physiological age on the basis of the degree of development attained, a more important factor than chronological age from the point of view of labour protection. The measure has already been adopted to a considerable extent in Asiatic countries side by side with minimum age regulations. As this is a most effective means of protecting young workers, its application is discussed in more detail below.

It may be noted that the evolution of Asiatic legislation during the last two decades and the plans for its further development at present under consideration present certain aspects

which, if systematically pursued, might lead to a decline in the premature employment of children, and finally to its abolition. These aspects are:

(1) In industry, the extension of minimum age regulations to previously non-regulated undertakings;

(2) The fixing of the minimum age at a higher level for hazardous occupations in factories, and also for mining;

(3) The development of free and compulsory education with a view to making school attendance compulsory over a steadily increasing area and finally throughout the country for all children; and

(4) The development of social security measures for families and of child aid measures, to ensure that children receive proper maintenance without having to work for a living.

Two additional points may be mentioned:

(5) The systematic extension of minimum age regulations to fields where they have rarely been applied—agriculture, commerce, and itinerant trading—in order that the progress made in eliminating child labour may not be counteracted by an increase in the employment of children in non-regulated activities;

(6) The adoption of methods of control, appropriate to the various fields of activity, for the effective enforcement of provisions concerning the minimum age for admission to employment.

Protection of Young Workers

The general principles laid down by the Constitution of the International Labour Organisation include not only the abolition of child labour, but also "such limitations on the labour of young persons as shall permit the continuation of their education and assure their proper physical development".

There is a close connection between the measures taken to achieve these two ends, and the protection of young workers assumes greater importance when, as in the Asiatic countries, the total abolition of child labour has not yet been achieved and the legal age for admission to employment is low. The measures which have already been taken for the protection of child-

ren, whether they are as yet fully enforced or not, show that the importance of action in this respect is recognised. A brief account of existing provisions is given below under the following headings: medical examination for fitness for employment; restriction of hours of work; abolition of night work; and protection against especially hazardous occupations.

Attention should, however, first be drawn to a feature common to all these provisions. As a rule the age up to which young persons are protected is lower than that applicable in western countries and falls below the international standard of 18 years fixed in most of the decisions of the International Labour Organisation.[1] A reason often given for this circumstance, at least in India, is the earlier age at which children reach physical maturity. Even if this reason were generally valid—which is certainly not the case in most Asiatic countries—there are other factors besides physical maturity to be taken into account in affording special protection up to the age of 18 years at least: for instance, the need for continued education and perhaps also the desirability of giving young persons an opportunity to recuperate from the harmful effects of the premature toil to which they may have been exposed. And in point of fact, a new and highly significant tendency, which is worthy of note and of encouragement, can be discerned in the Asiatic countries: in those fields for which international Conventions have laid down clearly defined standards (night work, for instance), many countries are by degrees reaching these standards. The Indian and Burmese Factories Acts afford an illustration of this tendency. Under the 1923 Act, only child workers under 15 years of age were protected. The Factories Act of 1934 established a new category of young workers, namely, "adolescents" between the ages of 15 and 17 years, who are required to undergo a medical examination on entry to employment in the same way as children under 15 years of age. A certificate of fitness to work in a factory as an adult is given if the adolescent is found to have attained the prescribed physical standard; if not, he can receive a certificate of fitness to work in a factory as a "child" under the conditions laid down for this more highly protected cate-

[1] The Conventions on medical examination for fitness for employment of children and young persons adopted at the 29th Session of the Conference (Montreal, 1946) provide for the extension of medical examination up to the age of 21 years when an occupation involves special risks.

gory of workers. The Act leaves to the provincial Governments the power to prescribe the standards for these two categories of fitness.

Medical Examination for Fitness for Employment

Medical examination, as already noted, provides a means of deciding on the basis of the physical condition, and not the age of the child, whether he should be admitted to employment or not. Moreover, as is shown by the above-mentioned example of Indian and Burmese legislation, such examination furnishes a basis for the individual protection of children and young persons admitted to employment, in particular, by preventing the assignment of young workers to jobs for which they are not fitted.

It is wrong to regard medical examination as a superfluity which can be afforded only by countries that have reached a high degree of social development. On the contrary, it is more important and more necessary when the conditions of work, hygiene and safety in undertakings employing children and young persons are unsatisfactory and when the standard of public health is low. It is obvious that medical examination for fitness for employment requires the services of medical personnel, which, unfortunately, are often lacking where they are most needed. The introduction of medical examination should therefore be given a very high place in any scheme for the protection of young workers. Several of the Asiatic countries have in fact accepted this principle, though the extent to which they have given it practical expression in their social legislation varies.

Asiatic legislation relating to the medical examination of young persons applies to those who are employed in industry.[1] The most typical provisions are to be found in China, India, Indo-China, and the French Establishments in India.

In Indo-China, under Decrees of 19 January 1933 and 30 December 1936, labour inspectors have the right to require the examination, by a medical practitioner employed in any public service, of children and young persons who have already been admitted to employment, in order to ensure that the requirements of the work on which they are employed does not

[1] Special provisions apply in the case of employment at sea.

exceed their strength; if it is found to be unsuitable, the inspectors have the right to require that the child is given suitable employment or is discharged.

Under regulations issued for the administration of the Chinese Factory Act, 1932, the work allocated to young workers under 16 years of age should be determined only after a medical examination.

In the French Establishments in India, children and young persons between the ages of 14 and 18 years may not be admitted to employment in industry unless they hold a certificate of physical fitness issued free of charge by a medical practitioner designated by the Governor.

In India and Burma, under the Factories Acts, 1934, every child must, before he is employed in a factory, be examined by a medical practitioner and obtain from him a certificate of fitness for employment in the factory; as explained above, young persons between the ages of 15 and 17 years are subject to the same requirement. Children and young persons are required to carry during working hours tokens bearing particulars of their certificates of fitness for employment as children or as adults. Moreover, the inspectors are empowered to require the medical re-examination of child or young persons who are already employed, if they deem it necessary.

The different stages in the organisation of a system of medical examination of young workers are usually the following; (*a*) discretionary powers are given to labour inspectors and the examination is carried out only in certain cases; (*b*) the advisability is suggested of an examination providing basic information for the assignment of jobs to young persons who have been hired (but without any definite obligations regarding the carrying out of the recommendations); (*c*) medical examination is required for entry to employment; and (*d*) in addition to the examination on entry to employment, control is exercised by means of a medical examination which determines whether a young person can be employed as an adult worker, and labour inspectors are empowered to require the medical re-examination of young workers already employed.

None of the Asiatic laws or regulations provides as yet for periodic re-examination until a fixed age limit is reached; moreover, the examination for entry to employment is not designed to determine the fitness of the child for a specified occu-

pation, but only to ascertain the state of his physical development, for which no specific standards have hitherto been set. On both these points, the existing schemes need to be improved.

Although a beginning has been made as regards supervision of the health of young workers in industry in Asiatic countries —at least in undertakings subject to labour legislation—the situation is different in the numerous categories of non-regulated occupations in which the need for the protection of young workers is the greater because the conditions of work are more oppressive. The employment of children in agriculture seems to present special problems, though no doubt a solution could be reached, at least in large agricultural undertakings, and on plantations. At the 27th Session of the International Labour Conference, the Indian workers' delegate urged, in committee and in the plenary sittings of the Conference, that young agricultural workers should not be neglected when the introduction of medical examination for fitness for employment is being planned. This is a problem to which the regional Asiatic Conferences might profitably turn their attention.

Hours of Work

It has often been observed that hours of work are especially long in Asiatic countries; the same situation existed in western countries in the early years of industrialisation. In such conditions special protective legislation for children and young persons has been found to be particularly desirable. Social legislation in Asia has followed the same lines as those taken in Europe half a century earlier, and in the absence of general regulations on hours of work, the first provisions enacted fixed the maximum working hours of children and young persons. These first measures established, as a rule, very long hours of work (10 hours a day in Indo-China, for example) and thus afforded only a minimum of protection to young workers. Whenever legislation was adopted to fix for adults hours of work which were shorter than those previously fixed for young workers, the young workers benefited from such legislation (as in Indo-China, under the 8-hour day legislation of 1936).

Most of the provisions which restrict the hours of work of children and young persons apply only to industrial employment and especially to factories. As the rapid and even pace of work in industrial establishments is very exacting, the prio-

rity given to regulations concerning industry is to some extent justifiable. But many more children are employed in other fields of economic activity—handicrafts, commerce, agriculture, and domestic service—and they too need protection against unduly long hours of work, in the interests of their education as well as of their health. This problem has not been completely overlooked in Asiatic countries, and in many cases their legislation covers other fields of activity besides industry. In the Philippines, Act No. 3071 of 1923 fixes the hours of work of children under 16 years of age at 7 a day and 42 a week for shops and "other places of labour" as well as for factories; in Indo-China the earlier regulations, which protected children only, as well as the regulations of 1936, which limit the hours of work of workers generally, apply to commerce as well as to industry; this is also the case in the French Establishments in India. In India, a few provinces (Bombay and Sind, in particular) have fixed maximum daily hours of work for children and young persons employed in commerce. In Ceylon, the competent authorities have power under the 1939 Ordinance to regulate the hours of work of children and young persons under 18 years of age in occupations not covered by the provisions regulating industrial, commercial, and maritime occupations, with the exception of agriculture and domestic service.[1]

The age up to which the hours of work of young persons are restricted varies in different countries. Indian legislation provides for shorter hours of work for children between 12 and 15 years of age (5 hours a day, instead of 8, so that 3 hours can be devoted to education). Young persons between 15 and 17 years of age are given the benefit of these shorter hours if they have not been found fit for work as adults by the medical practitioner.

In Hong Kong, the special limitation of hours of work applies to young persons under 16 years of age; in the Indian provinces of Bombay and Sind, the regulations concerning commercial establishments apply to young persons under 17 years of age; in Ceylon, the hours of work of young persons between 14 and 18 years of age may be determined by special regulations, although no such action has been taken as yet.

The maximum hours of work for young workers also vary

[1] The Ordinance has not been brought into operation, and no hours have as yet been prescribed.

to a considerable extent. In industry, for example, the maximum is 9 hours a day in Hong Kong and Ceylon, 7 hours in the Central Provinces of India for factories not subject to central legislation, and 5 hours in all the Indian provinces for undertakings covered by the Factories Act, while in the provinces of Bombay and Sind, Shop Acts fix the maximum hours of work for children and young persons at 8 a day and 42 a week.

A useful provision for ensuring that the strict limitation of children's hours of work is fully applied may be found in the Indian and Burmese Factories Acts and in some of the Indian provincial legislation. It consists in prohibiting the employment of a child in more than one undertaking on the same day and in placing the responsibility for violations, not only on the employer, but also on the person who has the custody of the child or who directly benefits from his wages. In fact, the shorter the hours of work, the greater is the risk of plurality of employment; the object of restricting hours of work is to leave the child sufficient leisure for physical rest and for education. Unlike much western legislation, no Asiatic law or regulation appears to grant young workers the right to take supplementary courses for general or technical education during their working hours. However, there are a few provisions to prevent employment from interfering with schooling. Mention has already been made of the Philippines Act which prohibits the employment during school hours of children under 14 years of age who cannot read and write. The Ceylon Ordinance of 1939, already mentioned, is still more definite; it unconditionally prohibits any employment of a child under 14 years of age which interferes with compulsory school attendance (and in particular, employment on a school day before the close of school hours) as well as any employment of a young person (14 to 16 years) which prevents him from attending a continuation school. The Chinese Factory Act requires employers to organise at their own expense supplementary courses for at least 10 hours a week for the education of children and young persons employed by them; although these courses are required to be given outside working hours, a number of factories have organised courses for apprentices during working hours.

Another aspect of the limitation of hours of work is legal provision for rest periods. In addition to night rest, which is se

parately discussed on account of its special importance for young workers, three types of rest periods must be considered: breaks during the day's work, the weekly rest, and annual holidays.

With few exceptions, Asiatic laws and regulations do not provide for more frequent breaks for children and young persons than for adults. The breaks prescribed for adults are often granted after a spell of work which may be considered excessive for a child: for example, every 5 hours at least, under the Chinese Factory Act. Evidently, sufficient attention has not yet been given to this problem.

A weekly rest is prescribed as a rule for workers of all ages. No Asiatic legislation provides for a rest period longer than 24 hours, as is now frequently the case in western legislation. However, the Indian Factories Act and the legislation in force in the French Establishments in India provide special protection for young workers by prohibiting their employment during any suspension of the rest period authorised on account of exceptional pressure of work. The Shops Ordinance in Ceylon provides for a continuous rest period of 36 hours.

It seems that comparatively little attention has been given as yet to the particular importance of annual holidays for young persons, except in India; under the 1945 amendment to the Factories Act children employed in factories are granted an annual holiday with pay of 14 days, and adult workers 10 days. Here again, the legislation seldom applies to other than industrial employment; but in Indo-China all Asiatic workers, both adult and juvenile, who are employed in industry or commerce or in one of the professions are entitled since 1 January 1938 to a 10-day holiday with pay under a Decree of 30 January 1936. It should be noted that when young workers are granted holidays under provisions covering all workers, they may find themselves at a disadvantage; for example the Chinese Factory Act fixes the duration of paid holidays for all workers according to their length of service, with the result that young workers get an annual holiday of 7 days at most, while in the case of adult workers the maximum of 30 days can be reached.

Night Work

The abolition of the night work of children was one of the first questions dealt with by the International Labour Organisation. The Convention concerning the night work of young persons

employed in industry was adopted as early as 1919, when Asiatic countries had barely begun to enact labour legislation. For this reason it had a great influence on the development of such legislation in these countries and has contributed to the adoption of uniform standards, especially in non-self-governing French and British territories.

Not many regulations, national or international, have as yet been adopted in respect of night work in other than industrial occupations. Regulations to restrict night work in non-industrial occupations have only recently been adopted by the International Labour Conference. However, in a certain number of Asiatic territories, the competent authorities have either regulated the business hours in shops (for example by fixing the closing time at not later than 8 p.m. as in the Bengal Shops and Establishments Act, 1940) or have extended the prohibition of night work of children to non-industrial occupations, especially to shops. For example, in Malaya (former Straits Settlements and Federated Malay States, Johore, Kedah, and Kelantan), night work is prohibited in all occupations except domestic service up to the same age as in industry, (18 years); in the Philippines, the prohibition of night work of children under 16 years of age covers factories, shops, and "other places of labour"; in Ceylon, night work is prohibited until the age of 16 years in non-industrial occupations.

In Indo-China, night work is prohibited in shops; but it should be noted that, the Government has pointed out that "in all Far Eastern towns, the small craftsmen have a marked preference for night work, which, owing to the climate, is less trying than similar work done during the heat of the day".[1] It seems evident that in tropical countries there is a preference for work during the cooler hours of the evening. This factor is taken into account in the Conventions concerning industry and non-industrial occupations by allowing, by way of exemption, for a shorter night period in countries in which the climate renders work by day particularly trying to health, provided that compensatory rest is granted during the day.

So far as factory employment is concerned, almost all Asiatic countries in the Far Eastern region have enacted more or less stringent regulations prohibiting night work for young workers.

[1] Cf. "Regulation of Labour in Indo-China", in *International Labour Review*, Vol. XLI, No. 1, Jan. 1940, p. 86.

As regards the age up to which the prohibition applies, it should be noted that the limit of 18 years fixed by the 1919 Convention has been adopted much more frequently in regard to night work than for other aspects of the legal protection of young workers, such as the limitation of their hours of work and, in particular, in hazardous occupations. In fact, the provisions of the Convention in this respect have been applied in Ceylon (where, however, this limit applies only to girls), Indo-China and the French Establishments in India, and Malaya (former Straits Settlements and Federated Malay States, Johore, Kedah, Kelantan and Trengganu). The following countries fix a lower protection age: China and the Philippines, at 16 years; India, at 15 years as a general standard—young persons between 15 and 17 years of age are also protected by the regulations if they have not been found fit to work as adults; Ceylon, at 14 years for boys; and Indonesia, at only 12 years.

Some countries provide for a specifically determined interval during which work is prohibited. This period is fixed at 9 hours in Indonesia. It extends from 6 p.m. to 6 a.m. in the French Establishments in India, and for shops in Ceylon, from 7 p.m. to 6 a.m. in India, from 8 p.m. to 6 a.m. in China, and from 8 p.m. to 5 a.m. in Indonesia. In Ceylon, Indo-China and Malaya (former Federated Malay States, Johore, Kedah and Kelantan), the regulations follow the more flexible pattern laid down in the 1919 Convention, and the prohibited interval for night work is defined as a period of 11 consecutive hours, including the interval between 10 p.m. and 5 a.m. A Mining Ordinance at present under consideration in Ceylon would prohibit the employment of young persons in mines between 7 p.m. and 6 a.m.

In some countries night work is entirely prohibited, and the regulations specifically prohibit exemptions, *e.g.*, China, Malaya (former Federated Malay States, Johore, Kedah and Kelantan), or do not provide for the possibility of exemptions, e.g., Indonesia and the French Establishments in India. Other laws and regulations make provision for exemptions: in Indo-China, temporary exemptions may be granted for certain industries; in India, the provincial Governments are empowered to vary to a slight extent the limits of the night interval during which all work is prohibited, without reducing its span.

Having regard to the experience already gained, it should be

possible for several Asiatic countries to generalise the prohibition of night work in industry for young persons up to the relatively high age of 18 years. In view of the lack of information concerning the application of existing provisions prohibiting night work in other than industrial employment and the slight attention so far given to the subject, the first step to be taken might consist in a careful survey of the incidence of night work of children and young persons in these occupations, and of the resources at the disposal of Governments for implementing any measures for the prohibition of such work.

Employment in Dangerous, Unhealthy or Arduous Occupations

It has already been noted that a higher minimum age is often fixed in Asiatic countries for admission to occupations which involve special risks. The total prohibition of the employment of young workers in these occupations is not the only method which can be employed for their protection against the risks involved. Another method, as previously mentioned, is to assign the young persons employed in an undertaking to work suited to their individual aptitudes and their physiological development. Special measures to regulate the conditions of work for young persons employed in dangerous, unhealthy or arduous occupations might also be adopted.

Asiatic countries have apparently resorted less often to special measures for regulating the conditions of work of young persons than to the total prohibition of such employment or even the requirement of a medical examination for admission. It is true that if such special measures are to be effective, their enforcement needs to be more thoroughly controlled than is necessary with the prohibition of such employment. There are certain processes, however, in respect of which it is preferable to require the observance of special conditions of work rather than to prohibit the employment of young persons entirely. If the age of admission is fixed sufficiently high to ensure complete protection for young workers in such occupations, they will be deprived of opportunities for training. Moreover, the risk to be avoided varies in degree in many of these occupations and calls for separate treatment of each task rather than of the

occupation as such. The lifting and carrying of loads provides an example.

Although, as yet, few regulations to govern employment in these occupations have been adopted in Asiatic countries, various examples are to be found in several of the laws already mentioned.

One type of provision is that contained in the Chinese Factory Act which authorises the employment of children—that is to say, of workers under 16 years of age—for "light work" only. It is obvious that such a provision can serve only as an approximate indication. It could be of practical utility if supplemented by exact instructions to the labour inspectors to enable them to interpret, with a certain degree of uniformity, the meaning of the "light work" authorised by law, or by empowering them (as in the Indian and Indo-Chinese legislation) to require medical examination in order to ascertain the fitness of the young person for the work.

Another type of provision, more precise and at the same time more flexible, is that which empowers a specified authority familiar with the actual conditions to define, by administrative regulations, the conditions of work of young persons in hazardous occupations. The Indian Factories Act empowers the provincial Governments to restrict the employment of children and young persons in hazardous operations, and to prohibit such employment; and obviously the restriction provided for may take the form of imposing special conditions. Another example is to be found in the 1939 Children and Young Persons Ordinance of Ceylon, which empowers the Executive Committee to make regulations concerning daily and weekly hours of work, rest intervals and holidays, and "any other conditions to be observed in relation to their employment".

Legislation in several Asiatic territories regulates the lifting and carrying of loads by children, a type of work still prevalent in countries where mechanical means of transport are not highly developed. In Indonesia, for example, a child may not be employed in moving any weight in or for an undertaking if the work obviously requires too great a physical effort. These provisions—which, however, protect only children under 12 years of age—are left to the inspectors to interpret. An example of more precise regulations concerning the lifting and carrying of loads is to be found in the 1932 Hong Kong Factories and Work-

shops Ordinance, which prohibits the employment of a child under 16 years of age in carrying any weight which is unreasonably heavy, having regard to his weight and physical development and, in any case, loads exceeding 40 catties in weight.

Another measure of the greatest importance for the protection of inexperienced young workers against occupational risks is instruction in methods of accident prevention. Such instruction can best be given in the undertaking itself through experienced supervision of apprentices and beginners. Legal regulations can play only a small part in the organisation of this training, which requires above all the inculcation of safe work habits. Certain obligations can, however, be imposed on employers by legislation. The Chinese Factory Act contains a fairly comprehensive provision on the necessity of entrusting the training of apprentices to competent instructors. The responsibilities of these instructors should include the technical training of young persons as well as training in safe methods of work.

However, it should be noted that in most Asiatic countries the effective organisation of apprenticeship training has not been highly developed and that the ratio of apprentices to workers authorised by legislation is often far too high. This is a problem that calls for increasing attention, especially in view of the development of mechanical equipment which creates new dangers while tending, by the use of mechanical means of conveyance, to reduce fatigue.

General Social Protection of Children and Young Persons

In as much as the effects of the war on the economic conditions in Asiatic countries threaten to jeopardise the outcome of the great efforts which have already been made to eliminate child labour, it is necessary, even in a brief study of the problem, to consider the general policy of these countries as regards the welfare of children and young persons and the assistance provided for them. These problems, as was fully recognised by the International Labour Conference in 1945, "are interrelated and cannot be solved in isolation".

There are two types of measures which public authorities, now more deeply conscious of their responsibilities, are endeavouring to promote:

(*a*) General measures to aid orphans, neglected children, and children without proper family support, whose position has deteriorated to an alarming extent as a result of wartime and post-war famine conditions;

(*b*) Social services for young workers and for workers' children.

In China, the protection of children forms part of the Government's basic programme. The Manifesto of the First Kuomingtang National Congress placed child protection on the same plane as public education, and various subsequent statements of policy have reaffirmed this principle. In May 1945, the Sixth Kuomingtang National Congress adopted a statement urging among other things, that the employment of child workers at night or in hazardous or strenous occupations should be prohibited.[1] During the war, under the pressure of urgent needs, this part of the Government's programme was developed to the greatest possible extent. The Social Administrative Planning Board, which is under the Ministry of Social Affairs, set up several committees in 1941 for the purpose of working out a national social policy, and among them, a Child Welfare Committee.

The Social Relief Act of 1943 made provision, among other matters, for the setting up of infants' homes and children's homes, vocational schools, maternity clinics and vocational guidance services. An experimental relief institution has been established in Chungking, comprising a hospital and maternity ward, a workshop, and special departments for children; the inmates are trained to become self-supporting. In 1944, the Government introduced a Bill outlining a comprehensive scheme of child protection, which is based on its demographic policy and includes a variety of measures concerning maternity care and the care of infants, children of pre-school age and of school age, workers' children and young workers, and also neglected and homeless children. The object of the scheme is to raise the health and educational level of children and young persons and to prepare them for a useful life. The Bill has not yet been passed, but the Child Welfare Committee, which helped to draft it, made an effort during the war to co-ordinate the activities

[1] See below, Chapter VIII, under "Reconstruction Planning in Asiatic Countries".

of private and official bodies, and two organisations—the National Association of Refugee Children and the United China Council for the Rescue of Children—formed the nucleus of a large-scale child protection campaign. At the end of the war, the Welfare Department of the new Ministry of Social Affairs and the provincial departments of social affairs were made responsible for child protection. While some of the provincial Governments found it difficult to finance the establishment of homes for war orphans, the national authorities received valuable assistance from international relief organisations, in particular, from the United Nations Relief and Rehabilitation Administration and the Chinese Relief and Rehabilitation Administration. Together, these two agencies have provided the child protection institutions with equipment, food and clothing, in addition to which they have carried out their own assistance programmes. The canteens, medical centres, vocational training centres, child care centres, etc. set up by CNRRA and UNRRA are expected to do more than meet a temporary need; they provide a permanent administrative machinery for carrying out child protection policy. The joint CNRRA-UNRRA conference held in Shanghai in March 1947[1] considered this question of maintaining continuity and also made various recommendations for the guidance of the Ministry of Social Affairs.

Under the head of conditions of employment, the Factory Act and its regulations impose on the management of certain factories obligations concerning the welfare of workers and their families. Some of these obligations—organisation of educational facilities, leisure time activities and day nurseries—refer specifically to young workers and workers' children. In 1943, regulations were adopted requiring industrial and mining undertakings to set up welfare funds for their employees, and specifying the social services to be maintained by these funds, including the following, which are of special concern to youth: dormitories and accommodation for families, a continuation school or continuation classes, day nurseries and recreation rooms and playgrounds. Such facilities had been provided before the war, in pursuance of the Factory Act requirements, by many undertakings, particularly in the textile industry, in which large numbers of children and young persons are employed.

[1] See above, p. 133.

In India, institutions for the protection of children have been developed chiefly on a philanthropic basis and, as a rule, by private initiative. However, various municipalities have developed local schemes for the carrying out of which subsidies are provided by the State. In addition the Factories Act lays down for undertakings a few obligations concerning the welfare of workers, including explicitly the setting up of rest rooms and children's rooms. These provisions have formed a basis for the organisation of various medical aid services, even beyond the requirements of the law, which some undertakings have set up. Moreover, public authorities at various levels—central, provincial, and municipal—recognise their responsibility, not only for relieving suffering, a duty which circumstances have rendered more imperative than ever, but also for ensuring the physical, intellectual and moral development of young people so that they may be prepared to play an active part in the community. Thus, the labour departments that have been set up in some provinces have taken the initiative in establishing their own welfare centres. In the United Provinces, for example, the Labour Department has so far set up five welfare centres, in Lucknow and other industrial towns, each of which comprises a dispensary, a library, a playroom and a gymnasium; three of these centres include special sections for women and children. The municipality of Bombay has made special efforts to organise centres for the distribution of milk, shark oil and meals for children, and milk is also provided for pregnant women. It should also be mentioned that the programmes of the welfare funds for the coal and mica mining industries, set up by the Central Government, include provisions for educational and recreational facilities which should be of special value to young workers.

In Ceylon, provision is made for the protection of children under the Poor Law Ordinance, which requires local authorities to relieve and assist orphans and children below a prescribed age, of poor parents who are not able to maintain them, to obtain for them educational facilities and industrial training and to erect and maintain school buildings and orphanages for this purpose. The Orphanages Ordinance provides for the registration and control of orphanages and for the making of Government grants for the care and maintenance of children. There are, moreover, a number of voluntary agencies which

provide for the care and protection of children and young persons.

It appears likely, however, that most of the measures taken for the protection of children and young persons, whether by voluntary associations or by the social services of local authorities or by employers, will be absorbed in general social security schemes as these are developed. In this way they can be organised so as to benefit the whole juvenile population and not merely a few privileged sections.

Social services of this kind need a highly trained staff. Since most Asiatic countries lack the necessary personnel and have but few institutions for training social workers, special measures are required. This point was emphasised in several of the resolutions adopted by the joint CNRRA-UNRRA Conference in March 1947.

Administration

When, at its 27th Session (Paris, 1945), the International Labour Conference drew up a comprehensive plan for the protection of children and young workers, the interdependence of the various parts of this plan was stressed on several occasions. The Conference adopted a resolution stating that "an adequate and co-ordinated framework of law and administration is essential for the application by Governments of the broad social policies necessary for the full protection of children and young persons". The resolution calls attention to the importance of organising "competent, specialised services to administer the proposed social programmes" and of putting into execution "the various parts of the unified national programme ... in an integrated manner".[1]

Although few as yet, the attempts to set up administrative bodies specialising in child protection so far made in Asia are worth noting. In several cases administrative action has been taken for a special and limited purpose; for example, "protectors" have been appointed, as previously mentioned, to administer the laws and regulations for the protection of mui tsai in several Malayan territories; similar measures have been taken

[1] Resolution concerning the protection of children and young workers, paragraph 34.

in the municipality of Shanghai. Sometimes such specialised administrative agencies, although afforded ample scope for action, deal with general social problems but not with labour problems strictly so called. This is the case, for example, with the welfare activities of the labour departments in Indian provinces.

An example of an administrative body specialising more exclusively in child labour problems is to be found in the Department of Labor of the Philippines; the Inspection Division includes a Women's and Children's Section. It seems, however, that the duties of this section are restricted to the executive supervision of conditions of employment and that the more general problems in the field of education and assistance are outside its scope.

The problems concerning the labour of children and young persons obviously call for serious consideration, for the future depends on the start in life given to them. It is undeniable that in Asia, where the basic problem, that of premature employment, is still only partially solved, if at all, it is in respect of measures of a general character for the protection of young persons that a programme of immediate action would be particularly desirable.

The placing of the question of the employment of children and young persons on the agenda of the Asiatic Regional Conference to be held in China in 1948 therefore seems opportune. Naturally, there can be no question of duplicating the work accomplished at the General Conference, which has made a comprehensive survey of these problems and drawn up the main lines of policy to be pursued. It is rather a question of interpreting and adapting this general plan to the actual conditions in Asia and of initiating action which may lead by successive stages to the standards desired by all the States Members.

However, the ground to be covered is so extensive that it may be necessary to deal more particularly with one basic question, around which other problems could be grouped. This might be formulated as follows:

The regulation of admission of children and young persons to employment in different fields of economic activity, the effective enforcement of the necessary regulations, including the organisation of the administrative services for the purpose, with due regard to the existing conditions in Asiatic countries.

CHAPTER IV

THE EMPLOYMENT OF WOMEN

Distribution of Women Workers

A large proportion of women workers in Asiatic countries are employed in agriculture, either in family undertakings or as paid workers. Thus in 1939, in the Philippines, 43.2 per cent. of women workers were engaged in agricultural occupations. In India, according to the Census for 1931, nearly 29 million women were engaged in the "exploitation of animals and vegetation", out of a total occupied female population of nearly 49 million. On tea, coffee, and rubber plantations, women workers form 45, 40, and 25 per cent. of the workers respectively; in the Assam tea gardens the number of female workers in 1943-44 was 249,813, while the number of male workers was 249,371. Except in the case of rubber plantations, recruitment of labour is made on a family basis, which accounts for the considerable number of women workers employed on plantations. In Ceylon, where the position is somewhat similar, the number of women workers on estates in 1945 was 48,647 Ceylonese and 186,406 Indian, while there were 53,533 Ceylonese and 198,924 Indian male workers. These figures, however, do not take into account the coconut, tea and rubber plantations, which do not employ Indian immigrant labour. According to the Report of the Commission on Social Services published in February 1947, the proportion of women workers to men workers is about 195,000 to 200,000 on estates, and 200,000 to 600,000 in undertakings other than estates. A considerable number of women are also employed on rubber plantations in Malaya and Indo-China.

In industry also, the number of women employed is far from negligible. According to a survey of industrial workers made in China in 1930 by the Ministry of Industries, in 28 cities of 9

provinces the number of women in employment was 372,837, compared with 372,170 men and 54,905 children; thus women formed 46.6 per cent. of the total labour force.[1]

The results of a more recent, although less extensive enquiry, carried out in Shanghai in the latter part of 1946[2], showed, however, a higher proportion of women: 85,545 women, or 61 per cent. of the total adult labour force, and 53,065 men were employed in the 1,582 industrial undertakings covered by the enquiry. It was also found that, in contrast to the situation as regards juvenile workers, the proportion of women workers was lower in the smaller undertakings than in factories (as defined by the Factory Act).

In Indonesia, 31,995 female workers, as compared with 140,713 male workers, were employed in 1940 in factories covered by the 1910 Regulations concerning industrial safety and in factories using mechanical motive power and employing more than 50 persons. They thus formed about 18 per cent. of the total labour force employed in the factories. In the Philippines, 267,359 women, or 24.5 per cent. of the female labour force, were employed in mechanised or manufacturing industries in 1939; in 1944, the average was 275,391 out of a total of 2,522,753. The employment of women in industry is also increasing in Siam, Burma, Malaya and Singapore.

In India, the situation is different. According to the 1931 census, 4,554,426 women were employed in industry (29 per cent. of the total number of industrial workers). At the present time, they are not employed mainly in factories covered by the Factories Act, although this might have been so in the past. In 1939, women[3] still formed 13.7 per cent. of the total number of workers in such factories, but in 1943 they constituted only 10.8 per cent. of the total (265,509 women out of a total of 2,436,312 industrial workers), and the position was the same in 1944. Contrary to what might be expected, they are not employed in large numbers in the cotton textile industry. The report on conditions of labour in cotton mills, published in 1946 by the Labour Investigation Committee, shows that in 1944, with the exception of three factories in Cochin State, in which they formed 52 per cent. of the total labour force, being employed

[1] The figures exclude 417,602 unclassified workers in Canton.
[2] See above, p. 141.
[3] Including adolescent girls between 15 and 17 years of age under the heading " women ".

as an experimental measure, they were only 26 per cent. of the total in the mills surveyed in Coimbatore, 20 per cent. in Madura and Mysore City, 14 per cent. in Sholapur, 12 per cent. in Bombay City, 10 per cent. in Bangalore, 6.6 per cent. in Ahmedabad and in Baroda City, 5.9 per cent. in Bengal, 2.2 per cent. in Lahore and 1.3 per cent. in Delhi City. No women were employed in the spinning and weaving mills in Madras City.

In contrast to this situation in the Indian textile industry, in other Asiatic countries women workers form the majority of the total employed in the industry. The overwhelming importance of this industry one or two decades ago in the Chinese economy and the predominant position which it still occupies in spite of the recent development of other industries explain the high proportion of women workers to the total industrial labour force. Out of 432,940 women workers employed in 1930 in the Chinese factories covered by official statistics, 365,159 worked in cotton mills. In 1943, the findings of a sample enquiry carried out in five large textile factories in the Hong Kong area showed that women workers formed 70 per cent. of the total labour force in the industry. This figure suggests that there was very little change during the preceding ten or twelve years, since the proportion of women in the textile industry shown by the aforementioned survey of the Ministry of Industries in 1930 was 67.9 per cent. The investigations made in 1946 in Shanghai showed a preponderance of women workers in the textile industry: 75 per cent. in cotton spinning, 65 per cent. in woollen spinning, 62 per cent. in dyeing and weaving of cotton and wool, and 62 per cent. in silk weaving. Silk reeling was not covered by the enquiry, but investigations made in 1930 showed that in China mainly women and girls are employed on this process.

Other industries in which women form a large proportion of the labour force are the tobacco and match industries—in 1946 in Shanghai, 82 per cent. of the total number of adult workers employed in the manufacture of cigarettes and 55 per cent. in that of matches were women.

Many women in India are also employed in seasonal industries which furnish raw materials to the textile industry—cotton ginning and baling and jute pressing. For instance, the Labour Investigation Committee, surveying the cotton ginning and baling industry in 1944, found that in the 56 gins and 42 presses visited in the Central Provinces and Berar, 50.38 per cent.

of the total labour force were women. For this kind of work, 69 per cent. of the workers were employed through contractors. The drying and packing of tea is another seasonal industry in which large numbers of women are employed.

In Ceylon, women workers in industry are engaged mainly in plumbago curing, match and cigarette manufacture, the textile, coir, and fibre industry, stores and mills dealing with copra, tea, rubber, and other plantation products, building operations, and domestic service.

In the Philippines, the great majority of female industrial workers were employed in 1939 in embroidery and dressmaking (111,180) and in the manufacture of textiles (54,787), mats (26,198) and hats (20448).

Home work affords employment to many women, although it is impossible to estimate their number. Arts and crafts (weaving, basketmaking, embroidery and lacemaking) are generally carried on in rural districts, but village industries are gradually being superseded by industrial home work, which brings in its train all the evils that this form of production too often involves—long hours of work, low wages, and lack of legal protection. In China and also in Indo-China, industrial home work includes embroidery and lacemaking for export purposes; in India, mica cutting and splitting, shellac manufacture, and cigarette manufacture. During the war, family workshops were utilised for making articles for the use of the armed forces—blankets, textiles, sandals, etc.

A large proportion of the female labour force in Asiatic countries is employed in domestic service. In India, according to the 1931 Census, 8,803,790 women belonged to this category (twice as many as in industry); in the Philippines, in 1936, 207,256 women workers (18.8 per cent. of the total female labour force) were employed as domestic workers.

In several Asiatic countries, women are frequently engaged on work involving considerable physical strain, such as that of carrying loads (mainly in the mining and building industries). Very little statistical information is available on this subject, except in the case of the employment of women in mines in India. The figures obtained from the enquiry into conditions of work in the coal mining industry undertaken for the Labour Investigation Committee in February 1944 show an increase in the employment of women on such work between

1939 and 1944 from 23,004 to 61,427 (or about 25 per cent. of the total labour force employed in 1944). Apart from the employment of women on underground work in mines (19,865 women in 1944), permitted as a temporary measure during the war, there was an appreciable increase in their employment on surface work (13,147 in 1944 as against 4,634 in 1939); in 1944, women workers formed 34 per cent. of the total labour force.

Maternity Protection

The alarmingly high level of maternal and infantile mortality and morbidity in Asiatic countries is illustrated by the estimate that in the Indian provinces 200,000 women die each year in childbirth or as a result of pathological pregnancy, and that two million women suffer, to a varying extent, from chronic disorders due to the same causes.[1] The report on the working of the Bengal Maternity Benefit Act in 1944 states that in 4,105 of the cases in which benefit had been granted during the year, only 83.1 per cent. of the women and 78.6 per cent. of the infants had survived the four weeks following the day of delivery. The particular urgency in Asiatic countries of maternity protection is amply evident from this situation. Such protection is one of the fundamental problems of women's employment everywhere. It has hitherto been afforded more or less sporadically by philanthropic organisations founded by private initiative; but by degrees, and especially in the last few years, the question has been given considerable attention by the public authorities, and legislative action on behalf of women workers has been taken in a number of countries (such as China, India, Ceylon, Indo-China, Indonesia and Malaya).

Before analysing these provisions, mention should be made of the principles which have been adopted by the International Labour Organisation concerning maternity protection. The Childbirth Convention, 1919, concerns the employment of women before and after childbirth and applies to industry and commerce, with the exception of undertakings in which only members of the same family are employed. The Convention prohibits the employment of a woman worker during the 6

[1] *Report of Health Survey and Development Committee*, 1946.

weeks following her confinement and establishes her right to 6 weeks' leave before her confinement; during this period she is entitled to benefits provided either out of public funds or by means of a system of insurance, and also to free attendance by a doctor or certified midwife. If she is nursing her child, the Convention lays down that she is allowed half an hour twice a day for this purpose. Moreover, the Convention protects her against dismissal during the prescribed period of absence or during a longer period (in the case of illness arising out of pregnancy or confinement), the maximum duration of which is to be fixed by the competent authority in each country. In 1921, the International Labour Conference also adopted a Recommendation for the purpose of ensuring for women wage earners in agriculture protection before and after childbirth similar to that provided for women workers in industry and commerce under the 1919 Convention.

The scope of these international regulations is not wide enough to provide full protection for women workers, since they do not cover all classes of occupations; in particular, they exclude domestic workers, who form the largest occupational category in Asiatic countries. Nevertheless, these regulations have contributed in a large measure to the development of a system of protection for working mothers in many countries, although as yet their influence on the continent of Asia is less marked. Most of the maternity protection laws and regulations enacted in Asiatic countries differ in important respects from the provisions of the Convention and none of the countries in question has ratified the Convention.

The categories of women workers covered by maternity protection regulations in Asiatic countries are even more limited than those specified in the international regulations; these categories are: workers in factories (China and most of the Indian provinces[1]); workers on plantations (Assam); workers in mines (Indian provinces); "coolies" (Indonesia). In Indo-China, the maternity protection measures cover the Asiatic and European (and assimilated) women wage earners employed in industrial, commercial, and mining undertakings

[1] Maternity Benefit Acts are in force in the following provinces: Ajmer-Merwara (1932), Assam (1944), Bengal (1939), Bihar (1945), Bombay (1929), Central Provinces (1930), Delhi (1937), Madras (1934), Punjab (1943), Sind (1939), and the United Provinces (1938); the States of Baroda, Cochin, Hyderabad, Indore and Mysore have similar Acts.

and Asiatic women (and women assimilated to them) employed as contract labour in agricultural undertakings. In some of the British territories in Asia the law applies to all Asiatic women wage earners except domestic workers. In Ceylon, the law applies to all women workers in mines, estates, shops, and factories where 10 or more persons are employed; it has generally been found that the regulations are complied with more closely on the estates than in mines and factories.

In only a few cases does the period of maternity leave for women workers exceed a total of 8 weeks (generally, 4 weeks before and 4 weeks after confinement). It is, however, interesting to note that for women workers in the Indian mining industry, where the prohibition of underground employment was suspended in 1943 in order to meet emergency war needs, the period was extended by the Mines Maternity Benefit (Amendment) Act, 1945, to 10 weeks before and 6 weeks after confinement. In Ceylon, the period is 6 weeks (2 before and 4 after confinement).

In many Asiatic countries women workers are protected against dismissal on the termination of their contract during the period of legal maternity leave. On the other hand, they are seldom effectively protected against dismissal as a result of pregnancy, a serious risk owing to the legal obligation placed upon the employer to pay all or part of the woman's wage during her maternity leave. The Ceylonese regulations protect the rights of women workers dismissed during the 5 months preceding confinement.

Owing to the absence of an adequate general system of public health services or health insurance, Asiatic laws and regulations seldom provide for the enforcement of the right of women workers to free attendance by a doctor or certified midwife as laid down in the 1919 Convention. These laws and regulations, however, contain some significant provisions: in the Indian provinces of Sind and Assam, the Maternity Benefit Acts impose an obligation on employers to provide medical aid free of charge, in addition to cash benefit. The United Provinces and Bihar Acts provide for a bonus to be paid in addition to maternity benefits if use is made of the services of a qualified medical practitioner; they also provide for the appointment of health visitors. To encourage women employed in the mining industry to obtain adequate assistance at the time of confinement,

the Indian Mines Maternity Benefit Rules, 1943, issued under section 6 of the Mines Maternity Benefit Act, 1941, provide for the payment of an additional bonus to the women entitled to maternity benefits if they utilise the services of a qualified midwife or other qualified persons and are not otherwise entitled to these services free of charge.

In some Asiatic countries, however, well-developed public health and maternity care services exist. Thus in Ceylon, there is a general system of public health services, and the attendance at childbirth by a qualified midwife extended in 1945 to more than half the total number of births in the island. Special provision is also made in the Maternity Benefits Ordinance for "alternative benefits" in special cases, consisting of provision of a lying-in room for confinement for a period of not less than 10 days, and sufficient food during such period; the services of a midwife at confinement; and reduced benefit in cash equal to about half the full benefit.[1] Free public health services providing maternity care are also in operation in the French Establishments in India and in Indo-China.

One of the features common to the Asiatic laws and regulations concerning maternity protection is that the employer is required to bear the expense of maternity benefits, that is, of paying wages, or benefits forming a specified proportion of the wage, during the period of legal maternity leave. This system has proved difficult to enforce, and when enforced has in practice worked to the disadvantage of women.

The decline in the number of women workers in India has often been attributed in the annual reports of the Central Government on the application of the Indian Factories Act, as well as in the reports on the application of the Maternity Benefit Acts of the various provinces, to the reluctance of employers to employ persons who are subject to special provisions involving a certain amount of additional responsibility. The women's organisations of India have on several occasions called attention to the effect of this system on the employment of women. As stated in Professor B. P. Adarkar's *Report on Health Insurance for Industrial Workers*, published by the

[1] In the model centre of Kalutara, 99 per cent. of the confinement cases received trained assistance, while 85 per cent. of the mothers had received ante-natal care; their maternal mortality rate declined from 22·9 in 1929 to 5·4 in 1946. The rate for the whole island was 16·2 in 1943.

Government of India in 1944, which recommended that allowances under a social insurance scheme should be substituted for benefits paid by the employer, certain employers, in their efforts to cut down costs, resort to methods which are contrary to the interests of women workers. In some cases, they try to reduce the number of women workers and prefer to employ men or children; in other cases, they discharge pregnant women as soon as their condition is known; employers have also been known to engage single women or widows in preference to married women. On the other hand, women workers, for fear of dismissal, sometimes refrain from claiming the benefits to which they are legally entitled. Cases have been known of employers who pay their women workers wages so low that the expense involved in maternity protection is in effect passed on to the employees.

These drawbacks have been noted wherever employers are required to bear the expense of maternity leave, and it is to meet this situation that the 1919 Convention expressly mentions that allowances paid to women during this period should be provided either by public funds or by a social insurance fund.

Solutions to this difficulty in accordance with the principles on which the decisions of the International Labour Conference are based are being considered by some of the Asiatic countries which had hitherto accepted the principle of employers' liability. In India, the Workmen's State Insurance Bill provides for maternity insurance allowances for 6 weeks before and 6 weeks after childbirth, conforming to the requirements of the Convention, and the Labour Investigation Committee has suggested that women employed on plantations should receive the same benefits. In Ceylon, the Commission on Social Services recently proposed a maternity insurance scheme, under which daily allowances would be paid for 6 weeks at the full rate of wages, subject to a maximum limit of 40 rupees a week.

Obviously, in Asia as elsewhere, effective maternity protection, safeguarding both the health and the economic interests of women workers, could be most satisfactorily developed within the framework of a social security scheme. Nevertheless, until it is possible to organise such schemes, the situation might provisionally be dealt with by the adoption of a suggestion made by the 2nd Conference of American States Members of the International Labour Organisation, since the existing condi-

tions in some of the Latin American countries are comparable to those in Asia. This suggestion is to grant maternity allowances which would be financed by a public fund provided from taxes imposed on undertakings "at a rate based upon the total working force, male and female, so as to avoid establishing a direct relation between the engagement of a woman worker and the payment of contributions for maternity benefits".[1]

The care of infants and young children creates everywhere a difficult problem for working mothers, which in Asiatic countries is intensified by the high birth rate. To solve it, women have often tried bringing their younger children with them to the factory, a custom which obviously can be very detrimental to the children's health and safety. Hence the adoption of measures to provide crèches and day nurseries in undertakings which employ a large number of women. The Chinese Factory Regulations lay down that establishments employing women shall provide a room for nursing and, if possible, a crèche with nurses for the care of infants, and they prohibit the entrance of children to the factory. One of the first administrative orders for enforcing these Factory Regulations related to factory crèches. The legislation of several other countries empowers the competent authorities to require employers to establish a crèche for the children of women workers, *e.g.*, Malaya and Borneo. The Indian Factories Act, 1934, also empowers the provincial Governments to make rules requiring that in factories where more than 50 women are employed a suitable room shall be reserved for the use of children under 6 years of age. (The Burmese Factories Act contains similar provisions.) In the province of Bombay there were 127 factory crèches in operation in 1943, and many of the factories also provided milk, clothes, soap, and medical aid to the children, as well as educational facilities. It should be noted that, as regards women workers in mines, the Central Government has already made it compulsory, by the Mines Crèche Rules, 1946, under section 30 of the Indian Mines Act, to provide crèches in mining undertakings in accordance with the standards prescribed in the Rules, and to have the children attending the crèche medically examined regularly. Except on the estates,

[1] Second Conference of the American States which are Members of the International Labour Organisation (Havana, 1939), *Record of Proceedings* (Montreal, 1941), p. 233.

few employers in Ceylon have taken the initiative in setting up crèches; the number in 1945 was 671. In other countries, too, crèches are frequently provided on plantations on which women are employed, even where employers are not legally bound to do so. The standards of sanitary and labour welfare services on the plantations vary considerably. The recent survey made by the Labour Investigation Committee in India showed that most often the sanitary conditions were unsatisfactory, and the Committee recommended that employers should be required by law to maintain well-defined standards.

The provision and proper maintenance of crèches are certainly questions which affect the welfare of children as much as that of mothers who have to work and look after their children at the same time. The general introduction of this amenity would be a valuable contribution to the improvement of the position of women, as the crèche would enable the many girls who have to look after the youngest children in the family to attend school. There is no doubt that the lack of crèches in sufficient numbers is one of the reasons for the poor school attendance among girls. It is necessary, however, to organise the provision of crèches with sufficient care, and it would be desirable that such organisation should take the form of a collective social service for the entire working population rather than be confined to workers in the larger undertakings.

Another important problem of maternity protection is to prevent the employment of pregnant women on tasks which might be detrimental to their health. In some Asiatic countries, laws and regulations have been adopted for this purpose; these are mentioned later.

In concluding the above survey of the various maternity protection measures for women workers in Asiatic countries, it must be noted that all the measures mentioned have seldom been adopted in any single country. But the need for improving and supplementing the existing legislation has been recognised, even though action has so far been rather halting. A maternity protection programme for these countries should include the following important points:

(1) The strengthening of legislation entitling the worker to maternty leave with the assurance of holding her job;

(2) The setting up of a system of allowances instead of

wages during maternity leave, within the framework of a social security system;

(3) The setting up of health services which are sufficiently developed to ensure the supervision of pregnant women workers and the provision of obstetrical attendance in proper health conditions.[1]

Health Protection

In Asia, social legislation has evolved on much the same lines as in western countries several decades earlier, and the first regulations concerning employment were enacted to afford protection to women and children. With the adoption of general measures for securing humane conditions of work for workers of both sexes and of all ages, some of this special legislation has now been replaced, or else the differences which still exist between the regulations in force for men and for adult women relate only to matters of detail and are too slight to be taken into consideration in this brief survey. This is the case, in particular, as regards regulations which restrict working hours and fix the workers' right to a weekly rest. There are, however, two questions on which Asiatic legislation makes special provision for the health protection of adult women workers: night work and industrial health and safety.

Night Work

The International Convention of 1919 (which replaced an earlier Convention adopted at Berne in 1906) laid down definite standards as regards night work. Either by direct ratification (India) or by extension to non-metropolitan territories (British territories in Asia, Indo-China, and Indonesia) of ratifications by the metropolitan country, the 1919 Convention concerning night work of women in industry has had far-reaching effects in a large number of Asiatic countries. In these countries the problem may be said to have been solved almost before it became acute.

[1] Points 2 and 3 are discussed in more detail in Report I, *Problems of Social Security*.

The situation is very different, however, in two Asiatic Member States, China and Siam, which have not ratified the Convention, and apparently also in the Philippines. In China, the problem of night work of women is one of long standing, especially in the textile industry, where work in shifts is highly developed. When the Factory Act was consolidated in 1932, a provision was included prohibiting night work of women between 10 p.m. and 6 a.m.; however, the enforcement of this provision was postponed from year to year because of practical or technical difficulties, and during the war the imperative needs of national defence required suspension of these regulations, as in most of the other belligerent countries. It appears, therefore, that this problem is one which will have to be dealt with in China when economic and social life can be reorganised in normal conditions and, in particular, when shorter working hours are fixed, so that two shifts not exceeding 8 hours each can be included within the time interval authorised by the Convention.

No mention is made of the regulation of night work in the Philippines in Act No. 3071 of 1923, which laid down regulations concerning many other aspects of the employment of women and young persons.

In other Asiatic countries the Convention has often served as a guide in the adoption of measures to prevent abuses in the employment of women on industrial night work. It leaves to the competent authorities considerable latitude in its application; under a special clause in this Convention, India and Siam may restrict the application of its provisions to factories as defined by the national laws and regulations, and under Article 35 of the Constitution of the International Labour Organisation, the extension of these provisions to colonies and protectorates may be modified to suit the local conditions. For this reason there is considerable variation as to detail in night work regulations in Asiatic countries.

In India central legislation on night work applies only to the larger factories (using mechanical motive power and, as a rule, employing 20 or more persons), and night work in small mechanised industries and in workshops where only manual labour is used, even though a large number of workers are employed, is not generally regulated. In these workshops, in which only the provincial authorities have at present power

to regulate the conditions of work and protect women against night work, most of the workers are reported to be women. In some cases these authorities have taken action: for example, the Government of the Central Provinces, which in 1937 passed an Act on unregulated factories (not covered by the Factories Act) that applies to workshops engaged in the manufacture of indigenous cigarettes and of shellac and in leather tanning, in which 50 or more persons are employed. As was pointed out in regard to the minimum age for admission to employment[1], the extension of the scope of the central legislation is being effected by degrees. In revising the Factories Act, this point might be dealt with; it will be necessary to give greater flexibility to the regulations which at present prohibit the employment of women during a specified period of 11 hours (from 7 p.m. to 6 a.m.), and to adopt the arrangement provided for in the Convention, allowing individual undertakings to draw up their own schedules on condition that the night period is at least 11 consecutive hours in duration and includes the interval between 10 p.m. and 5 a.m. (or between 11 p.m. and 6 a.m. under an exemption permitted by the revised Convention). Such flexibility will inevitably be required because of the increasing tendency to reduce the hours of work, which will facilitate the organisation of employment in three shifts; and it is only proper that two of these shifts should be open to women.

The regulations in this respect in such countries as India, Burma, Ceylon, Indo-China, and Malaya generally follow the pattern of the Convention, although in some cases the provisions are stricter; for example, a longer night interval than that required by the Convention is in force in the French Establishments in India, where it is fixed between 6 p.m. and 6 a.m.

On the other hand, when the application of the Night Work (Women) Convention, 1919, was extended to Indonesia by two Ordinances of 1925, the Governor authorised exemptions in addition to those laid down in the Convention. Night work of women was permitted in five kinds of industrial occupations (sugar factories during the season, fibre and cassava meal factories, oil factories, and salt works), provided that the undertakings utilising the exemption supplied the Labour Office

[1] See Chapter III, p. 156.

with statistical information at regular intervals regarding the hours of work and the wages of women workers employed at night. In six other kinds of work, permits might be granted by the Labour Office at the request of the undertaking for a specified period of time not exceeding one or two months. By an Ordinance of 1941, the general permanent exemptions were abolished in the five occupations for which they had been authorised, and instead, the use of the exemption was made conditional, as in the occupations of the second group, on a permit being obtained by the undertaking from the Labour Office for a specified period and in conditions determined in each case.

Health and Safety in Employment

Various laws and regulations have been adopted in Asiatic countries to improve the conditions of work for women employed in occupations involving risks of accidents, excessive fatigue or occupational diseases, or to prohibit their employment in such occupations. These provisions either fix special conditions concerning health and safety measures for the protection of women engaged in specified occupations or entirely prohibit the employment of women in certain types of activity.

Health and safety measures for the protection of women in certain occupations—generally in industry—vary from country to country. Under the Chinese Factory Act, 1932, in principle, women may be employed in factories only after a medical examination. In Indo-China, provision is made for fixing by administrative regulations special conditions for the employment of women in unhealthy or dangerous industrial establishments. The legislation of several non-metropolitan Asiatic territories is of this type and it conforms to the pattern of the regulations in France and in the United Kingdom. In Ceylon, for example, the conditions which may be fixed by the Governor in Council are specified in great detail and relate, among other matters, to safety and health in industrial undertakings employing women and the obligations of employers in this respect. In some cases, special conditions are fixed for employment on specified jobs; in Indo-China, the fencing of the dangerous parts of machines is made a condition for the

employment of women on those machines, and in workplaces (shops and accessory premises) as many seats must be provided as there are women employed.[1] In the Philippines, seats must be provided both in industrial and in commercial undertakings. In Ceylon, one seat to every three female shop assistants must be provided behind the counter, and there must be suitable sanitary conveniences for their exclusive use.

It should, however, be added that Asiatic countries often prefer to prohibit altogether the employment of women in certain occupations, rather than adopt measures to regulate the conditions of work suitably for them, without restricting their right to employment. In China as well as in India (either under the central Factories Act or under provincial regulations) and Burma, the employment of adult women is generally prohibited, along with the employment of children, in occupations which are recognised as involving special risks, even ordinary accident risks from machinery which can be avoided by carefulness and by the teaching of safety methods. One reason why the prohibition of employment is much more general than the more complicated method of regulations may be the risk of accidents from flowing garments. Another reason is the lack of adequate vocational training facilities for women, whose employment is generaly confined to unskilled occupations.

Nevertheless, some unskilled occupations are most arduous and involve serious health risks for women which may be easily overlooked, because they are not as obvious as accidents from machinery. This applies, for example, to the custom, still widespread in Asia, of employing women on unloading vessels in ports and on sorting and loading in quarries and in the mining industry. It must be pointed out, moreover, that such work is often undertaken by contractors, and that women employed by them are unprotected by laws which would apply to women workers recruited directly by the undertakings concerned. The mining industry affords an example where a large proportion of the surface labour is employed through contractors. The Labour Investigation Committee in India

[1] In the case of indigenous women workers, the term "seat" may be interpreted to mean any piece of furniture covered with a mat and suitable for sitting in the traditional manner.

found that in 1944, 48.5 per cent. of the "coolies" were engaged through contractors.

Underground work in mines is one of these arduous occupations in which, as recently as 10 or 20 years ago, the employment of women was fairly widespread in Asia. In India, on account of poverty and also because of the custom of families working together, miners were often recruited for work underground in family units. The employment of women on this particularly heavy work has now been abolished by law in all Asiatic countries except Japan.[1] However, as a result of urgent war needs, the Government of India found it necessary in 1943 to exempt, as an emergency measure, coal mines in certain provinces (Bengal, Bihar, Central Provinces and Berar, and Orissa) from the prohibition of employment of women on underground work in mines; specified conditions for the employment of women were laid down. On 1 February 1946 the prohibition was again put into force.

The difficulties that the gradual elimination of the employment of women on underground work in mines met with in India between 1929 and 1938—that of absorbing in surface work all the women workers available and the reduction of the family income resulting from the unemployment of women laid off—show that the prohibition by law of the employment of women in other occupations which are almost as arduous and in which they are customarily employed is not an effective way of affording protection. A constructive policy for guiding these women workers to other occupations and for providing them with the necessary training might lead to a more satisfactory solution of the problem. The magnitude of the problem and its complexity will be apparent when it is recalled that in 1928, when the first measures were about to be taken in India for eliminating the employment of women on underground work in mines, 31,785 women, or 26.9 per cent. of the total labour force employed underground, were so employed. Some of these workers were re-engaged for underground work during the war, and the problem of finding suitable employment for them still remains to be solved. The Government of

[1] The Underground Work (Women) Convention, 1935 (No. 45) is enforced in China, India, Ceylon, Indo-China, French Establishments in India, Indonesia, Malaya (former Federated Malay States, Johore, Kedah, Perlis, Trengganu and Brunei), and Fiji.

India has conducted a field study of the situation in mining areas, and programmes to provide training in cottage industries have been drawn up. Vegetable gardens and farms which will provide employment for women are being established in some of the coal mining areas.

Until women workers are provided with employment more suitable for them than heavy work, some steps might be taken to ease the burden of work for the women already employed in occupations involving considerable physical strain. The weight of loads carried by women might, for example, be limited, as has been done in India by rules enacted under the Mines Act, and in the French Establishments in India. It would be desirable to include all forms of heavy work in the scope of protective measures for pregnant women. The measures adopted in India for the protection of women employed on underground work in mines under the wartime exemption — medical supervision and maternity leave beginning 10 weeks before childbirth and continuing 6 weeks after childbirth—provide a clue to the precautions that might be taken in this respect. In Indo-China, for instance, women may be employed only on light work during the last months before and the first months after childbirth.

One administrative measure which has proved very useful is to recruit personnel to specialise in the handling of problems concerning women's work. In India, during the war, the Central Government appointed a group of officials to specialise in problems of industrial welfare and included a Lady Councillor in the section dealing with problems peculiar to women workers. A special section for the supervision of conditions of work of women and children was set up several years ago under the Department of Labor in the Philippines. In Asiatic countries which are going through a stage of rapid evolution in their labour legislation and social policy, it is essential that women's problems should be considered as a whole and in a broad context.

The Economic Situation of Women Workers

In 1938, Sir Harold Butler concluded his report on labour conditions in the East with the statement that the basic problems in that region which must assume priority over labour

problems properly so called are disease, illiteracy, and poverty. The female population undoubtedly suffers most from these three evils.

The effects of childbirth on the incidence of morbidity have been mentioned above, and an account of the preventive measures which have been taken has also been given. The two other evils are, to some extent, interdependent. Among the numerous reasons why wages, which are as a rule low in Asia, are still lower for women is their lack of education, which deprives many women of the elementary knowledge indispensable for technical training. Another important reason is that large numbers of women are engaged in the most poorly organised occupations, and that only a small percentage of them have joined the comparatively few trade unions which have been established.

Trade unions are the bulwark of wage protection in all countries. Yet in China, where conditions would seem to be particularly favourable to the organisation of women workers in trade unions, since they constitute more than half the adult labour force in factories, their membership in trade unions was for long insignificant. At a labour conference called by the Chinese Association of Labour in 1943, it was stated that this association comprised 422,650 members, of whom only 22,610 were women (5.3 per cent.); 21,415 of these women workers were employed in the textile industry.[1] The instability of the female labour force, which is even greater than in western countries, is no doubt the main reason why women have not become an integral part of the working community; a sample enquiry made in Chungking in 1943 in the textile industry showed that 79 per cent. of the female labour force were under 20 years of age. It is estimated that women workers in China remain, on the average, barely five or six years in industry. In India registered trade unions had in 1937-1938 only 14,703 women members out of a total membership of 390,112 or 3.7 per cent.; in 1942-1943 there were 25,972 women members out of a total membership of 685,239, or 3.8 per cent. Yet, in 1939, 13.7 per cent. of the total number of workers in factories were women, and in 1943,

[1] Although precise figures are not available, it is stated that the participation of women in the labour movement has substantially increased in recent years as a result of the Government's policy of promoting labour organisation.

they formed 10.8 per cent. In Ceylon, the number of women belonging to trade unions was 40,201 in 1946. Their wage rates in trades for which wages boards have been set up range from 70 per cent. of men's rates in the plumbago trade to 89 per cent. in the rubber export trade.

A few examples will illustrate the extent of illiteracy among women. An enquiry made in Chengtu in China, in 1944, showed that only 10.5 per cent. of the female population were literate, whereas the figure for the male population was 60.7 per cent. In India, according to a report published in 1933 by the Board of Education, entitled *Education in India in 1935-36,* the number of female scholars attending recognised institutions of all kinds was 1,748,920, as compared with 11,354,846 male scholars, a ratio of about 1 to 6. In 1941, figures published by the Department of Education show that 52 women per 1,000 were literate, as compared with 195 per 1,000 for men. However, in certain provinces where special efforts have been made to improve the education of girls, this difference is less marked. An official report on the progress of education in the Bombay Presidency between 1937 and 1942 showed that in 1942, 4.89 per cent. of the female population were enrolled in recognised schools, as compared with 12.62 per cent. of the male population (490,337 girls and 1,364,944 boys), a ratio of about 2 to 5. In Mysore State, the school attendance figures for 1946 were 35.4 per cent. for girls, 74.6 per cent. for boys, and during the year 1945-46 the number of adult women taught to read and write was only 3,110, as against 86,786 men. There is the same considerable difference in the education of girls and of boys in Indo-China. Statistics for the two sexes separately are not available for the country as a whole, but a local enquiry made in 1938 in a town in the north of Annam with fairly good educational facilities — Phu-quang — showed that only 12 per cent. of the total number of school-going children were girls; the proportion of women who could read the phonetic script was 2.8 per cent., as compared with 33.7 per cent. for men. Although the situation is better in the French Establishments in India, where there are more extensive educational facilities, it is far from being satisfactory so far as the girls are concerned; in 1936, girls formed only 22 per cent. of those attending school. In Indonesia, the figures for 1940 show that 2.2 per cent. of the indigenous female population

could read and write, as against 10.8 per cent. of the male population.

There are, however, signs of a change for the better in this situation. Plans for reconstruction and declarations of policy made by the Governments of various Asiatic countries, and also by trade unions, take account of the urgent need for improvement in this respect. For example, the scheme for a national system of universal, compulsory, and free education proposed by the Educational Adviser to the Government of India and the comprehensive plan for educational development drawn up by the Central Advisory Board of Education apply to girls and boys on an equal footing. In provinces in which the educational system is being reformed, it is not only the general education of girls, but also their technical training, that is engaging the attention of the authorities. In Bombay, for example, the Vocational Education Advisory Committee appointed in 1938 recommended in its first report that special impetus should be given to the vocational training of girls, and, among the basic crafts for which training facilities should be set up, the Committee mentioned various women's trades: spinning, weaving, and homecraft. It was announced in 1946 that 23 industrial schools for girls would soon be opened in the Punjab, almost one for each district. Plans prepared by the Government of India for the resettlement of demobilised men and women have given an impetus to vocational training for women. The Department of Labour has organised for demobilised Indian servicewomen training centres for domestic service, commercial occupations, semi-professional occupations, and social services. Mention should also be made of measures which have been in operation for some years for improved training for women for nursing and midwifery. A scheme of vocational training is being developed in the coal mining areas as part of the welfare programme of the Coal Mines Labour Welfare Fund. Demonstration centres are being set up to train women in such handicrafts as spinning, weaving, and basket making. It is expected that at a later stage, the sale of these products will be organised on a co-operative basis. Such schemes might well draw women away from the heavy work of loading and sorting coal to more suitable occupations, without the imposition of any legal restrictions.

The principle of sex equality, which is one of the tenets of

the National Revolution in China, has found expression in the efforts made to spread education among girls and to encourage their attendance at the various types of schools, which are open to boys and girls alike. Vocational training for industry is generally organised by the factories themselves for both male and female workers; however, a number of public industrial schools have been opened, some of which train workers for industries in which women are generally employed in large numbers—for example, the silk industry. There are more girls in higher educational institutions than in primary schools; in Chengtu where, as already mentioned, the literate women were a sixth of the total literate working population in 1944, enrolments for the university year 1944-45 showed that 30 per cent. of the new students were girls.

It should also be remembered that the Chinese Factory Act, the Minimum Wage Act, and the 1947 Constitution all uphold the principle of equal pay for equal work as between men and women. Notwithstanding the small membership of women in trade unions, the unions have often supported the equal pay principle in their declarations of policy. The principle of equal pay for equal work is also included in the fundamental rights accepted for the proposed Constitution for India, to which reference has already been made.[1]

Legislation on the lines of the Indian Government Bill at present under consideration to promote minimum wage fixing by the provincial Governments for various ill-organised industries (*e.g.*, woollen carpet weaving and shawl making, rice mills, tobacco manufacture, plantations, and mica works) would benefit the women workers who form a large proportion of the labour force in Asiatic industries.

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The position of women workers in Asiatic countries has certainly improved considerably in recent years. Progress continues to be made, although the pace differs from one country to another. Many of the difficulties encountered by the women workers in these countries in securing employment, in extending the sphere of their economic activity, and in

[1] See p. 23.

obtaining equitable rates of wages are due largely to obstacles raised by tradition and convention, whose effects persist notwithstanding declarations to the contrary in political Constitutions. It is hardly possible in a short chapter of a report of a general character to analyse all these causes one by one, or to suggest methods by which the special difficulties of women workers in each country might be mitigated or overcome. A selection has had to be made of some problems of general interest which are common to all these countries. A survey of this kind might appear superficial because of its restricted character. Nevertheless, a concerted study of problems common to women workers in Asiatic countries might be useful at a time when the political structure of many of these countries is being recast.

From the foregoing brief survey of the social policy in force in Asiatic countries as regards the legal protection of women workers, and of problems which can be solved only by further legal or administrative action, it will be apparent that if the agenda of the First Asiatic Regional Conference to be held in China in 1948 were to include a comprehensive study of the problems of women's work, an impetus would be given to the adoption of such further measures to promote the welfare of women workers.

The following questions, in particular, might be studied:

(1) Methods of maternity protection;

(2) Measures to promote the general education and vocational training of women to enable them to make their full contribution to the national economy and add to the family income, while steps are taken to open to them in increasing measure occupations other than those involving rough and heavy work in which many of them are still engaged;

(3) Measures necessary for the protection of the health of women workers who are still employed on heavy work;

(4) Adequate administrative arrangements for giving effect to a policy designed to promote the employment of women in accordance with the above proposals.

CHAPTER V

CONDITIONS OF WORK IN INDUSTRY

Substantial progress has been made in the promotion of labour legislation in Asiatic countries in the last two decades. In assessing this advance, it has to be borne in mind that the greater part of this legislation deals with the conditions of employment in comparatively large industrial undertakings and that as yet only a very small proportion of the total working population is employed in such undertakings. An account of the legislation in force in Asiatic countries considered with reference to the decisions of the International Labour Conference is given in the Office report on item III of the agenda. The following brief survey of the regulation of the conditions of work in industry generally is included in the present Report for the sake of convenience in considering the subject of labour policy as a whole.

During the decade following the establishment of the National Government in Nanking in 1927, various efforts were made in China to build up a code of modern labour legislation, and the Central Bureau of Factory Inspection was established. The work was interrupted by the serious dislocation caused by the outbreak of Sino-Japanese hostilities in July 1937. Not until 1940, when the Ministry of Social Affairs was brought under the control of the Executive Yuan, was it possible again to take up the programme of labour legislation, although in the intervening months regulations were issued to prohibit strikes and lockouts and to prescribe the conditions to which the trade unions as well as other public bodies should conform during the emergency. A detailed statement laying down the labour policy to be pursued during the period of post-war reconstruction was adopted by the Kuomingtang National Congress in May 1945. Reference is made to this statement in the last Chapter of this Report.

A large number of measures for the regulation of the conditions of work on plantations, and in factories, mines, and public utility services such as communications, have been adopted in India. Sir Harold Butler, in setting down his impressions after his visit to India and other countries in the East, observed that in India "the regulation of working conditions so far as large factories are concerned is...fairly advanced—more so perhaps than in any other Asiatic country", and that these conditions "do not compare unfavourably with those in many European countries". Before 1920 a policy of non-intervention in labour matters was usually pursued by the public authorities, in the Centre as well as in the provinces, but since then the situation has changed considerably. The change may be attributed to several factors: the impact of the two World Wars; the regular participation by full delegations from India in the annual International Labour Conference, the stimulus thus provided to the development of the workers' as well as employers' organisations and the discussion year after year in the Central Legislature of the decisions of the International Labour Conference; the provision made in the Constitutional reforms of 1919 and 1935 for the representation of workers' and employers' interests in the various legislative bodies; and the action taken to implement the recommendations of the Royal Commission on Labour in India, which made investigations into the conditions of life and work of the industrial workers in the country and made recommendations for their amelioration in its Report published in 1931. In pursuance of a recommendation made by the (tripartite) Indian Labour Conference, the Government of India appointed the Labour Investigation Committee in February 1944, to enquire into conditions in different industries in the country, in order to obtain adequate data for the preparation of social security measures. Detailed surveys of conditions on plantations and in a large number of industries were made by the Committee, and its findings have been published during the past two years. Proposals for legislation based on some of these surveys are at present under consideration.

In 1939, Siam introduced a Factories Act, covering privately owned factories and workshops of the types specified in a list that can be extended by Royal Decree. Before a factory can be set up or enlarged, it is necessary to obtain a licence. The Act

lays down general principles as to safety and hygiene at the workplace and provides for the notification of accidents.

The provisions of the Indian Factories Act and other legislative measures concerning labour were applicable to Burma until it was separated from India in 1937, but they remained on the Burmese Statute Book after the separation. A comprehensive review of labour legislation is now being undertaken under the direction of the Labour Department of the Burmese Government.

As in India, labour legislation in Ceylon has in the past dealt mainly with specific needs of certain sections of the working population. Except for one or two general Ordinances like the Service Contracts Ordinance, much of the earlier legislation related to immigrant labour employed on estates. Since 1931, however, legislation has been wider in scope and has been applied to workers in general. The legislation makes provision for the regulation of contracts of hire and service and of the employment of women, young persons and children, the registration of trade unions, industrial conciliation, workmen's compensation, maternity benefits, minimum wages, the regulation of working conditions in shops, and the protection of the health and working conditions of industrial workers. There are also a number of Ordinances dealing with the special terms of employment of Indian immigrant workers. Legislative provision has also been made to give effect to 16 international labour Conventions ratified by the United Kingdom Government and extended to Ceylon.

Three sets of regulations at present govern conditions of work in Indo-China. The oldest, dating back to 1927 and frequently amended since, deals with contract labour. It defines these workers' conditions of employment and the services—housing, clothing, food, medical care, etc.—to be provided by the employer, and also the methods of recruitment and repatriation of the workers and their obligations towards the employer. The other two sets of regulations are similar to the first in many, but not all, respects. A Decree of 1936, since amended, applies to Indo-Chinese and assimilated Asiatic workers; and a Decree of 1937 (also amended) applies to European and assimilated (including Chinese) workers. This complex system is now in process of revision, and drafts for new labour and social security regulations, prepared by a special mission

which visited Indo-China early in 1946, are being considered by a committee. They comprise a draft Labour Code, which would apply the principles of the French Labour Code uniformly to all the groups of workers covered, and a preliminary study of the existing possibilities of introducing a system of social security on an insurance basis, with suggestions as to the risks to be covered in the first stages of organisation.

As in several other parts of the region, labour legislation in Indonesia had its early beginnings in measures taken to protect labour employed on the plantations. Where penal sanctions were in force, the conditions of employment of the workers concerned were carefully controlled and supervised. Indeed, these conditions tended to set the standard for the other workers. In his report to which reference has been made above, Sir Harold Butler observed that "apart from the fact that he is working under contract and is not therefore free to leave his employment, the estate worker in the Outer Provinces enjoys considerably better conditions in respect of health, housing, hours of work and security of wage payment than is usually the case for the industrial worker". The regulation of the conditions of work in industrial undertakings was, however, still at an early stage in the years preceding the Second World War when the report was written, but, as the author remarked, "from the absence of legislation it should not be concluded... that conditions in the larger factories under European management were generally defective". On the other hand, in medium-sized and small factories and in workshops the conditions were none too good. As will be apparent, however, from the information presented in the different chapters of this Report, a series of measures for the amelioration of the conditions of labour generally were taken in Indonesia during the years 1934-1942, and on the eve of the Japanese invasion this programme was well under way although the war prevented its completion.

Conditions of work in factories and mines and on plantations in Malaya have been regulated by a series of labour ordinances issued since 1884, which were codified in 1912. The employment of large numbers of immigrant Chinese and Indian labourers on plantations and in mines has, however, presented a special problem. Special measures, such as the appointment of an official to look after the interests of the Chinese workers and the institution of a system of close consultation with the

Agent of the Government of India in Malaya in respect of the protection of the Indian workers, have been taken to deal with this problem.

As will be seen below, the Philippine Government also adopted a programme of labour legislation before the Second World War, with a view to ameliorating the condition of the workers.

Hours of Work

According to the Chinese Factory Act, as consolidated in 1932, the hours of work for adults may not exceed 8 a day, although in the case of *force majeure* or emergencies they may be extended to 12 a day, provided, however, that such overtime does not exceed 46 hours a month. A rest period of 30 minutes after a period of 5 hours of continuous work is provided, as also a weekly day of rest as well as the cessation of work on public holidays, with regular wages. These provisions have not yet been enforced, however. A study made in 1937 by the Social Affairs Bureau of the Shanghai Municipality showed that industrial workers in Shanghai often worked 11 hours a day.

The war had, of course, the effect of prolonging the working day. Enquiries made in 1944 by the Bureau of Statistics of the Ministry of Social Affairs showed that during the emergency the hours of work were so long as to impose a great strain on the workers. The consequence was that diminishing returns set in, in the form of absenteeism, frequent turnover, and an increasing number of accidents. For example, in Chungking the larger textile factories worked as a rule two daily shifts of 12 hours each, and the larger engineering establishments, 11½ hours a day, of which 2½ hours were regarded as overtime. In the other factories the working day averaged 10 hours (it was generally longest, 12 hours, in the flour mills, and shortest, 8 hours, in the printing establishments), but additional hours were frequently worked in case of need. In the Peipei area the textile industries usually worked two shifts of 12 hours each with a break of 30 minutes for meals, while in the chemical works and printing establishments the working day was as a rule 9 or 10 hours in duration, although when raw materials were available 3 or 4 or even 5 or 6 hours were frequently added in the evening in case of need.

The enquiry made by the Bureau of Statistics of the Ministry of Social Affairs to which reference has been made above showed that in Chungking the textile factories allowed the workers a day's rest once a week, or once in 10 days when there was a change of shifts. Chemical and engineering works granted as a rule a day's rest in each fortnight, and most of the larger printing establishments one day a week. Smaller factories generally did not have any fixed holidays, but gave the workers two to four days' additional wages per month by way of compensation. Some of the traditional national holidays—usually at least three a year—were also observed.

According to the report of a special committee set up in 1946 to study the wage situation in Shanghai, the average length of the working day in August 1946 was 9.94 hours, as compared with 10.57 hours in 1936 and 10.84 hours in 1941. The authorities were reported to have taken steps to regulate working hours in certain industries. Apart from a few large establishments, the hours of work for labourers in North China are generally longer. Since most factories worked longer hours than were permitted by the Factory Act, the Ministry of Social Affairs issued a general order in December 1946, urging factories to limit working hours to 10, or preferably 8 hours a day.

Under the Indian Factories Act, as amended and consolidated in 1934, the hours of work for adults were limited to 54 a week and 10 a day in perennial factories, and to 60 a week and 11 a day in seasonal factories (factories working for not more than 180 days in the year). By an amendment to this Act which was adopted in 1946 the hours of work have been reduced to 48 a week and 9 a day in perennial, and to 50 a week and 10 a day in seasonal, factories. The amendment also fixed the rate of wages for overtime at twice the ordinary rate. The spreadover of hours of work was limited to 13 hours a day by this Act, but the period was reduced to 10½ hours in perennial factories and 11½ in seasonal factories in April 1946. The Act further provides for a weekly day of rest on Sunday or any other day of the week. It also provides for a total of an hour's rest for 6 hours of work, and prohibits continuous work for more than 5 hours in the case of adults.

The scope of the Factories Act is limited, however, to establishments employing not more than 20, or, in provinces in which the Governments have in their discretion extended the scope,

not more than 10, persons a day. Since 1937 a number of provinces have adopted legislation to regulate the hours of work in small workshops, as, for instance, in the Central Provinces, where the hours of work are limited to 10 a day.

Several of the provinces have, moreover, adopted in recent years legislation to limit the hours of work in shops; the maximum limit in Bombay and Sind is 9½ hours, and in Bengal and the Punjab, 10 hours. After consulting the provinces on the need for legislation concerning the weekly rest, the Central Government adopted the Weekly Holidays Act in 1942, providing for the closing of shops, commercial establishments, restaurants, and theatres for one day in the week. The weekly holiday is to be a paid holiday. The Act is put into operation only if and when the provincial Governments so desire, and they are also empowered to add a half day to the weekly holiday. The Act came into force in 1943 in Ajmer-Merwara, Bihar, British Baluchistan, and the North-West Frontier Province.

On the railways, under the Hours of Employment Regulations of 1930, hours of work are limited to 84 a week in the case of persons whose work is essentially intermittent and to an average of 60 a week in any one month for the others, with provision for overtime work in special circumstances paid at the rate of one and a quarter times the ordinary rate of wages.

Under the Motor Vehicles Act, 1939, the hours of work of drivers of such vehicles are limited to 9 a day and 54 a week, and a rest period of at least half an hour after 5 hours of continuous work is provided.

The hours of work for municipal employees range from 8 to 10½ per day and from 48 to 60 per week, with one day off every week. Central Public Works Department workers have an 8-hour day and a 48-hour week, with a holiday on Sundays. Working hours for rickshaw pullers are not regulated, and they are likely to work intermittently throughout the 24 hours; in Madras, they are out for only 8 to 10 hours a day, while in Calcutta there are two shifts: a day shift, and a night shift.

Under the Indian Mines (Amendment) Act of 1935, the hours of work above ground are limited to 10 a day and 54 a week and the spreadover is limited to 12 hours. A rest period of not less than one hour after 6 hours of continuous work is provided. For work underground, the hours are limited to 9 a day (including the journey to and from the face) and 54 a week.

There is no statutory regulation regarding hours of work on plantations except in the case of tea and rubber factories. It is reported that in the north of India the labourers usually work from 8 a.m. to 2 or 3 p.m., and that in the south they work from 8 a.m. to 5 or 6 p.m., on the tea and coffee estates, with a nominal interval of an hour in the course of a day; the tappers on the rubber estates usually work from 6 a.m. to 1 or 2 p.m. Sunday is usually a holiday on tea and coffee estates except in times of heavy flush.

It may be added that during the inter-war period generally shorter hours were worked than the prescribed legal maximum. In 1938, for instance, 29 per cent. of the male workers and 31 per cent. of the female workers in the perennial factories, and 36 per cent. of the male workers and 43 per cent. of the female workers in the seasonal factories, were reported to work for not more than 48 hours a week; in the Jharia and Raniganj coalfields the hours of work for the miners and loaders did not exceed 44 a week underground and 45 in open workings.

In India, as elsewhere, the war led to a relaxation of the provisions concerning hours of work. Early in the war, on account of the urgent need to increase textile production and at the instance of the Central Government, the provincial Governments issued notifications authorising the textile factories to work up to 60 hours a week as an emergency measure. The workers were, however, required to be paid overtime for the additional 6 hours, at the rate of one and a quarter times the normal wage. The duration of the validity of this exemption was in the first instance limited to six months, but was subsequently prolonged to the entire period of the war. Moreover, many of the provincial Governments, which have concurrent powers of factory legislation with the Centre and are wholly responsible for the administration of such legislation under the 1935 Constitution, also authorised, of their own accord, the prolongation of hours of work for the duration of the war. The exemption was authorised in respect of specified industries and establishments, and in all cases maximum limits to hours of work as well as minimum requirements in respect of rest periods were prescribed. The payment of overtime for the additional hours of work was also made obligatory. Furthermore, in 1942 the Central Government was empowered by the Railways (Hours of Employment) Ordinance (Ordinance No. XLV of 1942) to sus-

pend the application of the 1930 Hours of Employment Regulations to the whole or a part of the railways for specified periods as an emergency measure; but this power was never in fact exercised. The Ordinance provided for the payment of overtime in the event of the suspension of the Regulations at not less than one and a half times the normal rates of wages.

Wages boards, consisting of the Commissioner of Labour and members representing employers and workers in equal proportion, are authorised in Ceylon, to determine in the case of each particular industry or trade the duration of the normal working day. These boards may not, however, extend the daily hours of work beyond 9 hours, including a rest period of at least an hour. They are also empowered to require a full day's rest a week to be accorded to the workers, and in trades to which the Wages Boards Ordinance applies, such a provision is customary. Regulations by the wages boards for specific trades generally prescribe a maximum working week of 48 hours. A shorter week has, however, been prescribed in some cases, as for instance, in the engineering trades, in which the hours of work are limited to 45½; and a longer working week (56 hours) in others: plumbago, arrack, toddy and vinegar manufacture motor transport, tapping and plucking in rubber and tea production.

Under Ordinance No. 18 of 1940, the hours of work in shops in Ceylon are limited to 8 a day and 45 a week. The Ordinance also provides for an hour's rest a day for the midday meal, between 11 a.m. and 2 p.m., and a weekly holiday with pay for a day and a half.

In Indo-China, the hours of work for contract labour are limited by law to 10 a day, including the time required by the worker to travel from his residence to his place of employment and return, and this limit must be taken into account in the assignment of piece work. At present most of the larger plantations work only 8 hours a day. The rate of pay for overtime is one and a half times the normal rate. Provision is made for a rest period of 2 hours in the middle of the day on account of the heat and for a day's rest a week. Furthermore, the employer is required to provide his workers with paid employment for not less than 25 days a month.

In the case of non-contract labour, the daily hours of work in industrial, mining, and commercial undertakings are limited

to 8 a day for wage earners, as well as salaried employees, by a Decree of 13 October 1936. Provision is also made for a weekly day of rest for all workers. Similar provisions are in force in the French Establishments in India, under a Decree of 1937. This Decree, moreover, prohibits night work in industrial undertakings without special authorisation.

The daily hours of work on plantations in Indonesia before the Second World War was 9 hours, and the statutory rate of wages for overtime was not less than time and a half; provision was also made for not less than two days of rest a month, in addition to public religious holidays. The daily hours of work underground in mines were limited to 8½, and in industrial undertakings to 9.

The hours of work in the Malayan estate rubber factories before the war were usually from 6 a.m. to 1 p.m., with a break of about half an hour for a meal. Tappers on rubber estates who started work soon after dawn worked for about 6 or 6½ hours a day. In industry, the daily hours of work were limited by law to 9, but in practice the 8-hour day was generally observed. The rate for overtime varied, although the labour law allowed for double the normal hourly rate. There was no statutory provision for a weekly day of rest in industry, but no worker was bound to work for more than 6 days in the week.

In Singapore, there is at the present time a standard 8-hour day in practice in almost every place of employment, and overtime is paid at one one and a half times the basic rate.

In the Philippines, the Commonwealth Act No. 444 of 1939, which applied to all workers, except agricultural labourers, piece workers, domestic servants, and the members of the family of the employer working for him, prescribed an 8-hour day and required overtime to be paid at not less than time-and-a-quarter rates.

Health and Safety Measures

In most Asiatic countries in which the beginnings of modern industry exist, legislation for the protection of the industrial worker, largely modelled on similar legislation in the more advanced industrial countries, has been introduced. Such legislation—although it is not everywhere fully enforced—

usually includes special provisions to safeguard the health of the worker and to protect him from industrial risks while he is at work. For instance, the Chinese Factory Act requires all factories to provide adequate ventilation, pure drinking water, good lighting, and proper latrines and toilet facilities, and to adopt necessary measures for the prevention of poisoning. It also prescribes that factories should be housed in suitable buildings, and that proper installations and fencing of machinery as well as adequate measures for the prevention of flood and fire should be provided. It requires the employer to give the workers proper training in the prevention of accidents. Regulations for the administration of the Act require, among other things, the employment of a medical practitioner and the provision of sick rooms and first-aid requisites in all factories employing over 300 workers; the testing of all machinery, equipment, and boilers by technical experts before installation and at specified periods thereafter; and the provision of adequate precautionary measures against fire. These measures have been supplemented by detailed regulations which embody in simple terms basic requirements for the promotion of the health and safety of the workers in factories. In the post-war plan for the gradual enforcement of the Factory Act, priority is given to the provisions for industrial safety and health.

The Indian Factories Act provides that the factories shall be kept clean and free from effluvia arising from any drain, privy or other nuisance, and also from impurities of gas, vapour, dust, excessive humidity, and overcrowding. They must have a sufficient and suitable supply of drinking water, sufficient light and ventilation, and an adequate latrine system. The Act requires adequate fencing of the machinery and the provision of proper means of escape in case of fire. Inspectors are empowered under the Act to serve orders on the management specifying the measures to be taken to remedy defects. These provisions of the Factories Act are supplemented by elaborate rules issued by the provincial authorities.

The Indian Mines Act authorises the making of detailed rules by the Central or provincial Governments concerning the provision of sanitary measures in mines. In this, as in the provisions referred to in the previous paragraph, the Burmese legislation follows the Indian. The Act also empowers the

Central Government to make regulations providing for the safety of the mine workers. Power is given to inspectors to order measures to be taken to deal with risks to human life or safety, and if necessary to prohibit the employment of workers in a mine or part of a mine where such employment appears to be dangerous, until the danger is removed. The safety provisions have been extended since the Act was first passed, and the rule-making power has been exercised in the framing of the Indian Coalmines Regulations, 1923, the Indian Metalliferous Mines Regulations, 1926, and other measures The Coal Mines Safety (Stowing) Act of 1939 provides for the creation of a fund through the levy of a cess to finance stowing measures; it was amended in 1940 with a view to using the fund to finance measures against fire and flooding in mines. A further measure of safety was provided by the Indian Mines (Amendment) Act of 1940, which made the salaries of the manager, the supervisory staff, and persons employed in connection with the raising and lowering of the workers payable by the owner of the mine instead of the coal-raising contractor.

Health measures for the protection of plantation workers include provisions for adequate sanitary arrangements in connection with the forwarding of labour from the source of supply to the place of work as well as on the plantations. Although free medical aid is given to the workers and their dependants on all plantations, a marked deterioration in the health of the population has been reported in recent years, largely owing to malnutrition. The common ailments on plantations are malaria, hookworm infection, and respiratory diseases.

The Siamese Factories Act requires the manager to keep the factory and its compound clean in conformity with certain standards. Machinery must be fenced or otherwise safeguarded and defective machines may not be used. Where poisonous or dangerous articles are used or manufactured, adequate protection must be provided. Accidents must be notified if they cause death, or injury involving more than three days' absence from work, or suspension of operations for more than seven days.

In Ceylon, apart from the provisions of the Mines and Machinery Ordinance (which will shortly be superseded by the Factories Ordinance) and the Shops Ordinance, two Ordinances are intended to secure the health of plantation workers—the

Diseases (Labourers) Ordinance and the Medical Wants Ordinance. The first requires the superintendents of all estates of which 10 acres or more are cultivated to notify the Director of Medical and Sanitary Services of the prevalence of certain infectious diseases, and to carry out the directions of the medical officer. The second Ordinance requires the superintendent of every estate to maintain the workers' quarters and their vicinity in a sanitary condition, to relieve the sick, to send labourers to hospital when directed by the medical officer, to notify the medical officer of every birth and death on the estate, and to ensure the proper care for women after childbirth and of infants under 1 year of age.

Detailed provisions regarding health measures, which are supplemented by special Orders, are included in the Decrees of Indo-China and the French Establishments in India, mentioned above. In Indo-China, strict regulations are laid down for health measures for contract labour on estates; in Cochin China these regulations cover free agricultural labour as well. Special emphasis is given to anti-malaria measures.

Annual Holidays with Pay

The Chinese Factory Act, as consolidated in 1932, provides for 7 to 30 days of annual holiday with pay for the workers, according to their length of service. The provision does not seem, however, to have always been enforced. Miss Augusta B. Wagner, of the staff of the Yenching University at Peiping in her book entitled *Labor Legislation in China*, which was published in 1938, observed: "In the matter of holidays the greatest diversity prevails. In the small factories and in many of the larger ones, the holidays for the year are limited to five days at the lunar New Year and one day for each of the three festivals: the Spring Festival..., the Dragon Festival..., and the Moon Festival." Some of the larger factories were reported to allow three days in addition on certain public holidays.

In April 1945 the Indian Factories Act was amended with a view to making statutory provision for annual holidays with pay for the workers covered by the Act: 10 days for adults and 14 days for children (persons between 12 and 15 years of age); the qualifying period prescribed was a year of service.

The shops legislation in a number of provinces provides for paid yearly holidays for shop workers. The Punjab Act, which has also been in force in the province of Delhi since 1942, provides for 7 days' leave with pay for six months of service and 14 days for one year of service; the Bengal Act, for 14 days of privilege leave with full pay and 10 days of casual leave on half-pay in the year; and the Sind Act, for 15 days of leave with full pay in the year. Measures have also been taken for the grant of annual holidays with pay for workers in jute mills in Bengal, municipal employees in the Central Provinces and Berar, and the permanent staff of the printing presses in the Central Government. The Government of the Indian State of Mysore issued in 1941 a uniform set of rules concerning the conditions of work applicable to all Government industrial establishments. Under these rules, provision is made for an annual holiday with pay of two weeks for all workers on daily wages on the completion of a year of service. In addition, two holidays with full pay on the occasion of religious festivals are allowed. There is no statutory provision for annual holidays with pay on plantations, and judging from the information available, it would appear that only some of the tea gardens in Assam allow two or three paid holidays in the year to their workers.

Annual holidays with pay are provided in Ceylon under the Wages Boards Ordinance. The decisions made by the various boards for 11 trades provide for a holiday ranging from 12 to 18 days, subject to an initial qualifying period of work ranging from 180 to 232 days. Compulsory adjudication of industrial disputes under wartime legislation has resulted in the grant of 5 statutory holidays and two weeks' leave with pay for a large category of industrial and clerical employees. The Shops Ordinance provides for 7 annual holidays and 14 days' casual leave for urgent private business or other reasonable cause.

By a Decree of 30 December 1936, which came into effect on 1 January 1938, provision is made in Indo-China for not less than 10 days' annual holiday with pay, on the completion of one year of service, for all Asiatic workers, salaried employees, and apprentices in industrial, mining or commercial undertakings and in the liberal professions. Europeans and assimilated workers (including Chinese) are entitled to 15 days' holiday a year.

In the French Establishments in India, all industrial workers are entitled to an annual holiday of 15 days. In New Caledonia, the annual paid holiday prescribed by law is 12 days.

It has been remarked, however, that there is a real need in many of these countries for the provision of recreational and other facilities calculated to enable the workers to utilise their holidays for the purpose of recuperation.

The Remuneration of Labour

The trade union movement in most Asiatic countries is as yet in the early phases of development, and consequently the determination of wages and other conditions of work by collective bargaining is not a widespread or usual practice. Minimum wage legislation has been adopted in a few countries and while it is effectively applied in some of them, its scope is restricted to selected industries Anti-truck legislation has also been adopted in several countries, and in recent years systematic attempts have been made to supplement regular wages by bonuses of one kind or another—cost-of-living bonus, war bonus, etc.—in order to enhance to some extent the actual earnings of the workers at a time of steadily mounting prices. Housing at fairly reasonable cost is usually provided for the workers on the plantations, and such facilities are also frequently accorded by the larger industrial undertakings. Other measures, which have been taken by employers in a number of cases in comparatively recent years for the assistance of the workers, include the institution of stores for the sale of essential foodstuffs and other daily necessities at reduced rates and of canteens at workplaces. In view of the scarcity of adequate facilities for the promotion of public health in many of the countries concerned, the provision by employers of medical aid at workplaces or in workers' quarters free of charge or at nominal cost may also be mentioned in this connection.

A Minimum Wage Act was passed in China in 1936, providing machinery for the determination of a living wage for industrial workers not sufficiently organised for collective bargaining and receiving exceptionally low wages. The Act, which lays down that, in determining the minimum rate, account should be taken of the need for the maintenance of at least two dependants and that the rates decided upon should be conspi-

cuously displayed, provides for the establishment of wage boards composed of representatives of the public authorities, the employers, and the workers concerned, as well as two referees, one nominated by the employers and the other by the workers, and where necessary, one representative of the provincial authorities concerned. The Act further specifies that the wages for young persons should be fixed at rates not less than 50 per cent of the rates for adults, that the wages should be paid not less often than twice a month and in legal tender, and that the principle of equal pay for equal work as between male and female workers should be applied

Before the outbreak of hositilities with Japan, daily wages were highest in the iron and engineering industry, and monthly wages in the flour mills, and they were lowest in the cotton weaving and dyeing industries. An enquiry made in 1934 in Shanghai showed that the average monthly income of the workers' families in that area was approximately 10 per cent. less than the expenditure, with the result that borrowing was regularly resorted to for the purpose of making up the deficit.

A brief outline of the Government's wartime wage policy may be added. This policy, which was designed to check inflation, had to be closely co-ordinated with measures for the control of prices. No steps were taken to regulate wages in the early days of the war. There was a steady rise in wages, particularly after 1940, as a result of a rise in prices and of labour shortage, and measures for the stabilisation of wages were adopted in 1941. In January of that year the Executive Yuan issued an Order providing for the adjustment of wages to fluctuations in prices in each locality, requiring employers to conform to the wage scales laid down and prohibiting them from increasing the workers' earnings by such devices as the payment of special allowances, and bringing employment under control in order to prevent the discharge or engagement of workers without the approval of the competent authorities. Moreover, as a consequence of measures taken in December 1942 for the reinforcement of price control, the Ministry of Social Affairs issued supplementary regulations relating to wage stabilisation. These regulations provided for the establishment of a committee for each locality, consisting of representatives of the local government, the chamber of commerce, the trade unions, and other public bodies concerned, for the determination of

wage rates. The regulations, which prohibited the payment of higher rates of wages than those current on 30 November 1942 and provided for the standardisation of wage scales, were to be applied in all areas in which price control measures were in force. It may be added that after the war, with a view to stabilising the workers' conditions in the areas recovered from the Japanese, the Ministry of Social Affairs promulgated regulations in October 1945, governing the adjustment of wages in these areas and specifying that such adjustment must be made with reference to the cost-of-living indices. Owing to the continued instability of the economic situation and to the difficulties met with by factories and mines during the process of reconversion to peacetime operation, Economic Emergency Regulations were promulgated on 17 February 1947, which provided, among other things, that in specified cities (32 in number, according to an announcement made by the Executive Yuan on 26 February) wages fixed with reference to the cost-of-living index number were to be "frozen" at the January 1947 level. On the other hand, employers were required to issue rations of food, clothing, and fuel to the workers at January 1947 prices; these commodities were to be purchased through the Government and not in the open market.

Wages in India vary very widely not only from one area to another, or one industry to another, but also from one undertaking to another in the same industry and in the same area. This situation may be accounted for by a large number of factors: the abundant labour supply; the relatively small proportion of skilled workers to the total industrial labour force; the absence of collective bargaining, which is in itself the consequence of the lack of a strong and widespread trade union movement extending its control over all the more important industrial centres; the preponderant weight of tradition or custom in the determination of wage rates; and the lack of any attempt on the part of the public authorities, until quite recently, to evolve a uniform system of wages. However, the Central Government after consultation with the provincial Governments with a view to the determination of minimum rates of wages for various categories of workers in different industries, including agriculture, set up an authoritative committee to conduct investigations into the existing conditions in a large number of industries. Reports containing the results of these

investigations have been published, on the basis of which a Minimum Wage Bill was recently introduced in the Legislative Assembly.[1]

On the plantations in India wages are generally fixed on a task basis, although time rates are not uncommon for certain operations. Piece rates are also usual in a large number of factories, particularly the spinning and weaving departments of cotton mills, and, with a few exceptions, in coal mines. On the railways the workers are usually paid by the day or by the month. In most industries, except building and construction work of one kind or another and the loading and unloading of ships, where the tasks are often assigned to the workers on a contract basis, time rates are the rule

The Payment of Wages Act of 1936, which applies to workers receiving less than 200 rupees a month on an average in industrial establishments covered by the Factories Act or on the Federal railways, provides for the fixing of wage periods not exceeding one month in duration and prohibits deductions from wages for other than specified purposes such as fines, compensation for damage to or loss of the property of the undertaking, or payments for housing or other services provided by the employer. The Act, which requires the payment of wages to be made before the expiry of the seventh day after the period for which they are due in the case of undertakings employing less than 1,000 persons and in other cases before the expiry of the tenth day, renders the employer or his agent, and not a contractor or an intermediary, responsible for the payment of wages.

There was an appreciable increase in the workers' nominal earnings in India during the war years 1939 to 1944. The average earnings of a worker in perennial factories increased during this period by 104 per cent., and the increase in different branches of organised industry varied from 23.8 per cent. in minerals and metals to 115.1 per cent. in textiles. On the other hand, the increase in the cost of living for the workers during the same period was 125 per cent. in Bombay, 189 per cent. in Ahmedabad, 197 per cent. in Cawnpore, 171 per cent. in Lahore and 113 per cent. in Madras. It will thus be seen

[1] For particulars, see the report on item III on the agenda: *Programme of Action for the Enforcement of Social Standards Embodied in Conventions and Recommendations Not Yet Ratified or Accepted*, pp. 36-37.

that the real earnings of the factory workers declined during the war. It has been remarked that this decline was at least in part counteracted by the wartime expansion of employment and the consequent increase in the aggregate earnings of the workers' families. This may well be true to some extent, although no statistical information is available by which it might be measured, but such a situation has only made it the more urgent to devise measures for the maintenance, as far as possible, of the wartime level of employment after the war.

Since 1937 and more particularly since the outbreak of the war, the miners' earnings have also shown an upward trend. During 1944, for instance, the average earnings, including the cost-of-living bonus, of the miners and loaders increased from about 10 to 17 rupees a month. In addition, during the war years rations were provided to the miners at concession rates, and in 1944 free of charge. In the Jharia coal fields, however, the cost of living rose steeply: the increase during the period August 1939 to August 1943 was 500 per cent. Owing to the large supply of cheap labour available in the mining areas, miners' wages have as a rule been much lower than the wages of workers in the larger industrial undertakings. In Bihar, in 1937-38, for instance, the average monthly earnings of a miner or loader were 10.2 rupees, as compared with 42 rupees earned by a worker in the engineering industry in the same province, or 49.6 rupees by a weaver in the cotton mills in Bombay.

In May 1947, the Government of India accepted the recommendations of the Board of Conciliation appointed to enquire into all disputes existing or apprehended in the coalfields in Bengal and Bihar, with the object of bringing about a settlement. The workers received a substantial increase in their earnings, and it was decided to give attendance and production bonuses amounting to four months' basic wages. These benefits applied only to the colliery workers of Bengal and Bihar (about 200,000), but the Government proposed to take appropriate action in respect of colliery workers in other provinces, and to invite the States of Bikaner, Hyderabad, Korea, Rewa and Talcher to take similar action.

So far as the plantations are concerned, enquiries made by the Labour Investigation Committee to which reference has been made above, show that as a result of the war the cost

of living has risen by at least 200 per cent. in plantation areas in the north-east. The workers' earnings, even including such benefits as the supply of foodstuffs and other essential commodities at concession rates, have not quite caught up with this rise. In the south the cost of living has risen by 100 per cent., while the earnings have increased by only 50 per cent. in the case of men and by about 70 per cent. in the case of women. It should be added, however, that social services, such as the grant of allotments of land, housing and dispensary treatment, are usually provided on the plantations, although the extent of these services varies with the different areas.

The Tripartite Plantation Conference held in New Delhi on 8-9 January 1947 decided that a family budget enquiry should be carried out without delay to ascertain the requirements of workers, and that as soon as the investigation was concluded, another conference should fix fair rates of wages for workers on tea plantations. Pending the completion of the enquiry, employers in Assam and Bengal have agreed to give an *ad hoc* cost-of-living allowance of 2 annas per day for every adult worker, and 1 anna per day for every child worker. The Government of India has also prepared a questionnaire and circulated it to all provincial Governments, Chief Commissioners, Indian States, etc., with the object of collecting data concerning the existing system of remuneration of agricultural workers, their wages, perquisites, and other earnings, regularity of employment, working and living conditions, and so forth.

As has been mentioned above[1], an attempt is being made at the present time to standardise wages in India. The need for such a step and its importance were emphasised as long ago as the early 'thirties in a number of recommendations by the Royal Commission on Labour to which reference has previously been made. Some progress has, however, been made in the case of railway workers, and in the tea industry, in which this question has been taken up by the employers' association.

The Pay Commission set up by a Government decision of 7 February 1946 to consider the conditions of work of Government employees published its report on 16 May 1947. The Government has accepted the basic pay structure as well as the recommendations in regard to uniform scales of pay and cost-of-living

[1] See p. 219.

allowances formulated by the Commission. The minimum salary of a Government worker is to be 55 rupees (including cost-of-living allowance) and that of a clerk to be 90 rupees per month.

The Payment of Wages Act passed by the Indian legislature, before the separation of Burma, is in force in that country.

In Ceylon, wages boards, consisting of the Commissioner of Labour and an equal number of representatives of employers and of workers, have been set up under the Wages Boards Ordinance to determine the minimum rates of wages for time work or piece work. The rates of wages fixed by the boards apply also to Indian immigrant workers, for whom separate boards under the Minimum Wage (Indian Labour) Ordinance have not been set up since 1945. In addition to the minimum wages, adult male Indian workers on the estates are entitled to about 8 lbs. of rice a month free of cost, or, alternatively, to the free feeding of their children. They are also provided with garden allotments and other facilities for raising animals, and the more industrious of the workers can, in addition, earn considerably more than the minimum wage. A wartime innovation has been the fixing of remuneration by awards of special tribunals appointed to adjudicate on industrial disputes. There have been 85 awards in industrial occupations and 85 for plantations, of which 45 deal mainly with remuneration. Another provision in the Defence Regulations has led to the standardisation of payments in services which have been declared essential to the life of the community, for it has been made an offence for an employer to employ workers in such trades on terms and conditions less favourable than those which are generally applicable to similar workers in the district.

The basic minimum rate fixed by the wages boards vary from 1.24 to 1.80 rupees per day in industrial trades and from 58 cents to 1.03 rupees in agricultural trades. Separate rates have been fixed for women and young workers. Overtime is generally paid at time-and-a-half rates in industrial occupations and time and-a-quarter rates in agriculture (tea, rubber, coconut, and cocoa). In addition, the wages boards have fixed special allowances which vary with the rise or fall in the cost-of-living index number. In the agricultural trades, these allowances have outstripped basic rates, but in the industrial trades the special allowances are approximately 50 per cent. of basic rates.

Before the Second World War, the situation with regard to wages in Indo-China in the case of contract labour was that the workers had to be paid at least once a month and within 10 days of the expiry of the period for which the wages were due. Debts contracted by the workers in a shop or store situated on the premises of the employer might not be deducted from the wages. Wage rates might not be changed during the employment except with the formal consent of the worker, certified by a representative of the public authorities.

Since 1943, district committees must be set up to fix annually the minimum wage rate in cash for contract labour, and to make an estimate of the remuneration given in kind. These committees include employers' representatives, Indo Chinese members of elected assemblies, a labour inspector representing the workers' interests, and the head of the local administration.

For non-contract labour, a Decree of 30 December 1936 provides for the determination of minimum wages for men, women and children in all industrial and commercial occupations, with due regard to the cost of living, by district committees similar to those described above. The employers are bound to apply the rates so determined, and these rates are fixed annually as a rule and at shorter intervals in exceptional circumstances. Wages are required to be paid at intervals of not longer than a month and, except in specified cases, deductions from wages by the employer for the supply of equipment are prohibited. The average income of the worker in the years before the war appears, however, to have been meagre, because of underemployment, the payment of customary dues to intermediaries, and deductions of one kind or another, which, according to reports, were frequent.

Owing to the rise in the cost of living after the war, various methods have been adopted for adjusting the remuneration of the workers, including that of supplying foodstuffs at low prices.

In the French Establishments in India, a tripartite board was set up under a Decree of 1937 to fix minimum piece rates for the home workers in the weaving industry. This body has now extended the scope of its activities and deals with the distribution of raw materials and similar economic questions.

In the case of plantation workers in Indonesia on long-term contracts with penal sanctions attached to them, the wages were

required to be determined from time to time after careful enquiry into the cost of living. The rates were specified in the contracts and their payment was strictly supervised by the inspectorate. Plantation workers with short-term contracts with no penal sanctions attached to them received slightly higher wages than workers with long-term contracts containing penal sanctions. During the economic depression of the 'thirties the wages on the estates in central and east Java fell to very low levels. The Regulation of Employment in Industrial Undertakings Ordinance of 1941 made the payment of wages once a month compulsory, limited deductions to a maximum of 25 per cent. of the wages and permitted such deductions only for specified purposes.

The normal rates of wages on the plantations in Malaya, in 1941, were 50 cents for men and 40 cents for women, with an additional 10 cents in each case by way of a cost-of-living allowance. The workers usually earned more, however, and the estates also supplied them with rice at cost price. In the case of the workers in rubber-processing factories the wages were higher than for plantation workers. The truck system is prohibited. Legislation exists under which minimum wages can be fixed for Indian workers on plantations by the Indian Immigration Committee, with the approval of the High Commissioner and by notification in the Gazette. This legislation has had a direct effect on the wage levels of other plantation workers.

Minimum wage legislation in the Philippines covered only labourers in State employ before the war. It does not seem to have been sufficiently widely enforced in the provinces, and in the case of private firms only transportation companies approached the standards set by legislation.

Social Services for Industrial Workers

With the development of industry in Asiatic countries, the importance of providing special social services for the benefit of the industrial worker has come to be appreciated in increasing measure, for they are necessary to ensure a stable and efficient labour force, which is still an essential requirement of modern industry despite recent technological developments. The workers and their families have to be properly housed, for instance, and medical care as well as educational facilities have

to be provided for them. It would be misleading to suggest that these various facilities now exist in sufficient measure. On the other hand, substantial progress has been made in recent years in the provision of social services for the workers in the larger industrial undertakings. This progress is the more remarkable as the generally existing standards of public health, public instruction, and other social amenities are notoriously low in Asiatic countries.

Housing

There is urgent need for the improvement of the housing of industrial workers in China. The situation is acute in Shanghai, but it is much the same in other industrial cities, such as Tientsin, Tsingtao, and Hankow. Not only is the housing accommodation reported to be altogether insufficient, but even the existing facilities are stated to be insanitary and in need of renovation. A survey made in 1936 showed that in Shanghai there were a total of 5,094 straw huts in an indescribably insanitary condition, occupied by 25,345 persons, mostly factory workers, who paid a rental of 40 cents to 3 dollars a month per room.

The housing shortage has been aggravated by the effects of the war. When, as mentioned below[1], the Government introduced regulations in 1943 requiring industrial undertakings to set up welfare funds for their workers, it included the buildings of workers' dwellings among the purposes for which the fund should be used. The regulations require employers to provide accommodation for their workers in dormitories or family dwellings. In spite of the shortage of building materials, many undertakings, especially in areas recovered from the Japanese, have complied with this requirement as a means of securing a stable labour force, though the accommodation provided is often unsatisfactory. For example, a factory working on the two-shift system may even use the same dormitory for both shifts of workers. The Government is at present considering legislation to make building materials available in the first place for the construction of workers' dwellings, to establish minimum housing standards, and to require new factories to provide suitable housing accommodation for a specified proportion of the employees.

[1] See p. 230.

It is true that the lack of stability during the last several decades in China has been a contributory factor in creating the state of things described above, but the conditions in India in respect of the housing of industrial workers, especially in the comparatively older industrial centres, are hardly better. It is evident that the development of modern industry in Asiatic countries calls for special safeguards. For instance, the 1931 Bombay Census Report stated:

> At least 36 per cent. of the population of the City suffer from gross overcrowding. Of all tenements, 81 per cent. are one-roomed and the average number of persons to each of these rooms is 4.01, but that gives little notion of the congestion at its worst, for 256,379 persons live in rooms occupied by six to nine each, 80,133 in rooms of ten to nineteen persons each and 50,490 in rooms occupied by twenty or more persons to each room. These alone comprise between them 30 per cent. of the city's population . . . For the vast majority of Bombay's population the available floor space is about six foot square.

The Royal Commission on Labour in India reported in 1931 that in Karachi almost one third of the whole population was crowded at the rate of six to nine persons in a room and that in Ahmedabad 73 per cent. of the workers lived in one-room tenements. The report further stated:

> Neglect of sanitation is often evidenced by heaps of rotting garbage and pools of sewage, whilst the absence of latrines enhances the general pollution of air and soil. Houses, many without plinths, windows and adequate ventilation, usually consist of a single small room, the only opening being a doorway often too low to enter without stooping. In order to secure some privacy, old kerosene tins and gunny bags are used to form screens which further restrict the entrance of light and air. In dwellings such as these, human beings are born, sleep and eat, live and die.

All available evidence points to the further deterioration of the housing situation in the older industrial centres such as Bombay since 1931. Between 1931 and 1941 the population of ten cities in India increased by 50 per cent. or more: by nearly 100 per cent. in Cawnpore and by over 90 per cent. in Ahmedabad, over 81 per cent. in Calcutta, and over 77 per cent. in Jamshedpur.

As much as 15 to 20 per cent. of the labour employed in mines in India is seasonal, but the housing for miners would seem to be mainly intended for permanent workers. According to one report, as many as 85 per cent. of the staff live in one-

room houses, 10 per cent. in two-room houses, 3 per cent. in three-room houses, and only 2 per cent. in four-room houses. Little or no provision is reported to be made for housing in the case of workers engaged in excavating slate and limestone in inaccessible jungles and hills, who are left to improvise temporary shelters by themselves. However, recently the Government of India prepared a scheme for building 50,000 houses (each with two rooms, a kitchen, a bathroom, a verandah and a courtyard) in coal mining areas, estimated to cost 125 million rupees. The houses are to be built in townships of 5,000 each. It is expected that 15,000 houses will be ready by 31 March 1948, and that they will all be completed within three years.

The problems of the coal mining industry in India assumed special prominence during the war years, and, as has been indicated above, the Government has adopted various measures to improve conditions for the miners.[1] A resolution submitted by the Indian workers' member to the second session, held in Geneva in April 1947, of the Coal Mines Committee set up under the auspices of the International Labour Organisation, and adopted by the Committee, acknowledged the importance of these measures. It also invited the Governing Body of the International Labour Office to convey to the present Conference the hope that the Conference would devote special attention to the implementation, in India and other economically underdeveloped countries, of the principles adopted by the Committee at its first session in London in 1945, for incorporation in a Coal Mineworkers' Charter. The resolution further recommended that such countries should frame a systematic programme of action in consultation with organisations of employers and workers, with specified targets, so that the objects mentioned might speedily be achieved.

On the other hand, in the case of workers in larger industrial undertakings in the more recently developed industrial centres and of railway and plantation workers, the housing conditions are somewhat better, although the situation differs from place to place and a great deal still remains to be done by way of the introduction of sanitary measures and the determination of housing standards, as recommended by the Royal Commission.

[1] *Cf.* also Report I, *Problems of Social Security*, pp. 40-41.

In Mysore State, the five-year development plan provides for the construction of 50,000 houses for workers; the use of mass-produced prefabricated parts is being considered as a means of reducing the cost.

Housing in Burma is a major problem owing to the large-scale devastation caused by the war and to the shortage and high prices of building materials. Though several employers have prepared housing schemes for their workers, it has not been possible to implement these schemes to any appreciable extent, and most of the workers are still compelled to live in temporary dwellings, without proper water supply, lighting or sanitation.

Though overcrowding and high rents are by no means uncommon, the standard of workers' housing in Ceylon is, generally speaking, reported to be higher than in most other tropical countries. The Housing and Town Planning Ordinance, 1946, provides for the setting up of a National Planning Commission, with power, *inter alia*, to make recommendations for the clearance of slums and the housing of workers. At present housing in most urban areas is regulated under the Housing Ordinance. The standard of housing on plantations varies greatly, but the sanitation on estates is generally good. Government workers, especially in the Public Works Department and on the railways, are often provided with housing accommodation, but the number of such houses is extremely small, and they are usually allocated only to those persons whose presence near the place of work is required at all hours of the day or night. The Government has launched a housing scheme for its workers in Colombo and it is hoped to build about 400 houses for railway workers by the end of 1948.

In Indo-China, free accommodation is as a rule required to be provided for contract labour, which is generally employed in mines and on plantations, and also for free agricultural labour in Cochin-China; and housing standards are defined with some care. On the larger plantations, the workers' cottages are grouped in villages, which generally include a school, a crèche, a hospital, a canteen, a pagoda or a church, etc.

Before the war, housing was provided in Indonesia for approximately a quarter of the labour force on the plantations in the Outer Provinces, and although in Java and Madura the employers were under no obligation to provide housing, they

frequently did so for a limited number of workers in order to ensure a minimum labour force.

Considerable attention has been paid in Malaya to workers' housing on the plantations, and the older lines are being gradually replaced by newer types of cottages more suitable for families.

A Bill was introduced in the Legislature of the Philippines in 1940 to provide housing for the workers as the existing situation was considered to be most unsatisfactory.

It may be observed in conclusion that, as experience in Europe and elsewhere has shown, the provision of housing for the workers is a special problem which calls for a concerted policy such as has seldom been pursued on a sufficiently extensive scale in Asiatic countries. Such a policy calls for action on the part of public bodies, except perhaps in the case of very large private undertakings which employ regularly considerable numbers of workers. The building of houses for workers may not often be as directly or immediately remunerative as the construction of residential quarters for letting at comparatively high rents. There are also various other questions involved such as the need to take into account particular customs or preferences, the distance from the place of work, and the cost of upkeep. But no one who has had opportunities of observing how great a strain living under unsatisfactory conditions places on the workers' general efficiency can doubt the value of suitable housing for them.

Labour Welfare Activities

The industrial worker, whether in urban or in rural areas, particularly in Asiatic countries, represents a comparatively advanced section of the population and his contribution as an individual to the national economy is especially valuable. The need to provide special facilities for the promotion of his welfare has been increasingly recognised in recent years, especially as a result of technological developments and the consequent demand for greater skill in industrial processes.

Regulations requiring a workers' welfare fund to be established in all factories, Government-owned as well as private, were issued in China in January 1943. The fund is made up of the following contributions: from the employers, 1 to 5 per cent. of the capital outlay, 2 to 5 per cent. of the wages bill

(wages properly so-called as well as allowances, or in other words, the workers' total earnings), 5 to 10 per cent. of the profits at the end of each fiscal year, and 20 to 40 per cent. of the proceeds of scrap metal sold (many undertakings were removed during the war from the coastal districts to the interior, and these undertakings sold scrap metal which they could not use and which brought good prices on account of the existing shortage of supplies); and from the workers, 0.5 per cent. of the monthly earnings of each worker. As to workers working on their own account, the trade unions to which they belonged were required to set aside 30 per cent. of the membership fee for the welfare fund, and this amount might be supplemented by subsidies received from the competent authorities in response to applications made to them Rules for the administration of the workers' welfare funds were also issued in 1943. Provision was made for grants in aid to social workers with an outstanding record of welfare work, for the administration of the funds by committees composed, in accordance with regulations issued by the Ministry of Social Affairs, of representatives of workers and of employers in each undertaking, for the annual publication of the accounts of the funds, and for the inspection of the accounts by the competent authorities. It was prohibited to use the funds for other than labour welfare purposes, and penalties were provided for infringement of the regulations.

Since December 1940 special courses have been organised by the Ministry of Social Affairs for the training in social work of persons employed in social services conducted by the Kuomingtang, industrial or agricultural trade unions or other bodies; and during the war, American workers' organisations (the American Federation of Labor as well as the Congress of Industrial Organizations) made substantial contributions to labour welfare and relief in China. The Chinese Association of Labour also provided social services (establishment of tea rooms, barber shops, canteens, etc.) in a number of cities. Furthermore, since 1936, when a Bureau of Tungsten and Antimony Control was established by the National Resources Commission, and especially since 1941, steps have been taken to promote the welfare of miners by the Welfare Section of the General Affairs Department of the Bureau. In order to assist the miners, who were in the habit of borrowing from moneylenders at exorbitant rates of interest, provision has been made

for the issue, during periods of diminishing output or when additional equipment has to be obtained, of loans at 6 per cent. for a period of sixth months. Stores have been established in places in which over 500 workers are employed, for the sale, at prices 30 per cent. lower than the market rates, of essential commodities, including rice, oil and salt, and the sulphur and bars of steel which the miners require for work in the mines; arrangements have also been made for the sale of these commodities at the mines in other places. As the mine area does not produce foodstuffs to any substantial extent, 19 silos for storing rice have been built. Three consumers' co-operative stores have also been set up with the assistance of capital advanced by the Bureau, and it is proposed to establish three others.

The Chinese National Relief and Rehabilitation Administration, in conjunction with UNRRA, has participated in a number of activities directed towards the training of personnel for welfare work. The six main types of activity through which the Welfare Programme has been carried out are: training under the auspices of a university or college; collection and distribution of books and other training materials; organisation of institutes, conferences and short-term courses; 'on-the-job' training for UNRRA personnel; provision of scholarships for study abroad; and participating in the training plans and activities of other organisations and Government departments.

The war gave a considerable impetus to labour welfare activities in India. A Labour Welfare Branch of the Department of Labour of the central Government was instituted, which attempted to extend to workers in war factories various amenities and also kept the Government informed of labour grievances and needs. The Department of Labour also set up a new organisation under the Chief Adviser of Factories to advise the central and provincial Governments on the improvement of working conditions in factories. The purpose of the organisation is to give technical advice on the design and layout of factories, housing standards, working conditions conducive to efficient production, and labour welfare. It also makes arrangements for the training of both workers and management personnel in the enforcement of safety measures and measures for the promotion of labour welfare current in industrially advanced countries. The provincial Governments

of Bengal, Bombay, Sind, and the United Provinces have also undertaken welfare work. Bombay first organised model welfare centres in 1939. It now has 27 centres of three different types, the largest of which provides a nursery school, sewing and embroidery classes, outdoor games and a gymnasium, water taps and shower baths, libraries, radio sets, cinema shows, and dispensaries. The United Provinces Government set up a Welfare Department, which by 1946 had opened 28 welfare centres of three different types, with facilities similar to those provided by the Bombay Government. The Bengal Government gave grants to private welfare organisations up to 1940, but in that year it opened 10 welfare centres, and by 1944-45 such centres had increased to 41. The Sind Government has opened two welfare centres. The Government of Mysore has set up a Labour Welfare Board, including representatives of employers and workers, to facilitate the informal discussion of proposed measures for the promotion of the welfare of industrial workers, and two recreation centres have been started in Bangalore City. During the war, the Baroda Government started a movement for establishing co-operative credit and thrift societies, and in 1946 there were 20 such societies, with a total membership of 24,511.

A noteworthy feature of the labour welfare activities of Government enterprises as well as private establishments in India during the war years, a period characterised by acute food shortage, consisted in the provision of canteens, in which cooked food was served at reasonable rates, and of depots for the sale of cereals at concession rates.

The Coal Mines Labour Welfare Ordinance, which was promulgated in January 1944 and is applicable to all the provinces, provides for the establishment of a fund to finance activities to promote the welfare of labour employed in the coal mining industry, by means of a cess levied on all coke and soft coal despatched from the collieries. A representative advisory committee attached to the fund makes recommendations on the amount of the cess to be levied and other matters. A similar fund has been set up for the mica mines. The staff benefit funds which are in existence on all the Indian Government railways and receive regular grants from railway revenues have authority to devote their moneys to the provision of educational and recreational facilities for the staff and their children, to the

relief of distress among members or former members of the staff, and to schemes for sickness or maternity benefits for the families of the staff. Moreover, these railways have a medical department and provide free medical care to the staff.

A social service system for the whole of Indo-China was set up in 1945, as well as local social services in several of the various territories. Their duties include that of promoting the establishment of workers' welfare services in industrial undertakings and on large plantations, more particularly, by organising courses of training for the specialised staff needed for such services.

Systematic attention was given to the promotion of the welfare of plantation workers in Malaya before the war. There are regulations under which employers may be required to maintain schools for the workers' children; the ground and buildings are provided by the estates, and grants in aid by the public authorities. It is interesting to note that in 1941, for instance, a representative rubber company with a planted acreage of 5,391 acres and a crop of 1,605,000 lbs. spent 2.29 cents per lb. of rubber on labour welfare.

The Worker's Standard of Living

Sufficiently detailed or precise information is not available to assess the adequacy of the remuneration of the industrial worker in Asiatic countries in comparison with his counterpart in other countries. Some estimates have been attempted occasionally, but they are little more than expressions of personal opinion. However, it may be noted that the Government of India set up a Directorate in 1943, in order to conduct family budget enquiries, which were made during the period 1943-1945. About 27,000 budgets in 28 centres were collected, of which 25,000 were accepted for tabulation, and the data collected have been analysed and tabulated in 27 reports.

In any evaluation of the adequacy of the worker's earnings, they should be related to productivity and a comparison should be made between similar categories of workers in different countries. Such comparisons are difficult on account of the complications involved in reducing the diversity of conditions in different countries to a common denominator, and this has been enhanced by the general economic unsettlement caused by

the war. There is the further difficulty in the case of Asiatic countries that the establishment of modern industry is of comparatively recent origin and that many services which are usually provided in the older industrial countries as part of the amenities for the whole population have to be especially instituted in industrial or urban areas at considerably greater expense. Such expenditure may not always be directly or immediately remunerative, but it is undoubtedly a mistake to regard it as a special subsidy. It is, on the contrary, an integral and indispensable part of the general effort for development, and viewed in this light the industrial worker, on account of the contribution he makes to the national economy by reducing the volume of unjustified or wasteful imports, and increasing that of profitable exports of manufactured goods, performs a valuable social function. Nor is his value to be determined solely from too narrow an economic point of view, for he represents the more advanced, the more active, and consequently the more influential element of the population, with at least some power of raising the general social level by his example.

Two criteria may, however, be applied in measuring the standard of living of the industrial worker in Asiatic countries: a comparison with the income of the agricultural worker in the same area and a consideration of the expenditure which the industrial worker is called upon to assume for the satisfaction of his legitimate needs. The first of these criteria is hardly decisive for reasons already indicated: the demands made on the efficiency of the industrial worker, from the point of view of health and staying power or of trained intelligence and adaptability, are considerably greater than in the case of the agricultural worker; moreover, the industrial worker, unlike the agricultural worker, is in an alien environment, in as much as he is often a migrant and has to incur charges which he would not be called upon to incur in his own native village. It remains true, nevertheless, that the more skilled, more adaptable and more enterprising workers in urban areas earn considerably more than they would normally earn in rural areas, as is clearly shown by the large amount of remittances sent by workers in urban areas in China and India, or by Chinese and Indian migrants abroad, to their families in rural areas at home. Such remittances are, incidentally, a valuable source of income to the countryside.

It would, however, be a mistake to deduce from the savings made by a few comparatively prosperous industrial workers that the remuneration of the average industrial worker in Asiatic countries leaves any margin. In China, a study of the budgets of 280 families of skilled, semi-skilled and unskilled workers in the International Settlement of Shanghai in 1936-1937 showed that these families could not subsist on the incomes of the householders. The earnings of the dependants formed an essential part of the family income. The larger part of the expenditure was accounted for by the bare necessities of life—53.49 to 64.53 per cent. on food and 13.50 to 15.85 per cent. on rent. With reference to the budgets of unskilled workers, who were invariably unable to make both ends meet, the report in question stated:

> Expenses of food and rent are, among this group, necessarily kept to a minimum, seeing that part of the money is not earned, and has with difficulty to be obtained elsewhere. Housing is certainly sought at the lowest possible cost. As a picture of the industrial community as a whole, this unskilled group is the most representative one. When, therefore, it is shown that for this group it is essential to spend more than the wage earned for the essentials of food, rent and clothing, it is obvious that the wage earned by the heads of most households is insufficient to meet the cost of living in Shanghai.

More than half the industrial workers in the country were concentrated in Shanghai at the time of this enquiry, and the situation in that city may therefore be regarded as typical.[1]

Most families, including workers' families, in Asiatic countries are larger than in western Europe or North America. An average worker's family in India in 1930, for instance, consisted of 5.46 persons in Bombay (textiles), 5.88 persons in Madras (textiles), 4.84 persons in Cawnpore (textile, engineering and leather works), 4.71 persons in Nagpur (textiles and others) and 5.24 persons in the United Provinces (railways).

In India, as in China, a high proportion of the worker's income is usually spent on the bare necessities of life. The proportion of income spent on food and clothing in workers' families before the war was, for instance, nearly 60, 66, 67, 72, and 74 per cent. in Bombay, Nagpur, Jamshedpur, Madras, and Calcutta, respectively, while in the coalfields and on the plantations

[1] An enquiry conducted in Shanghai under the auspices of the Ministry of Social Affairs in August 1946 showed a substantial increase in real wages, which were estimated to be 2.15 times as high as in 1936.

such expenditure amounted to approximately 80 per cent. of the average worker's total budget. The Directorate set up to conduct family budget enquiries, referred to above, found that generally speaking, since the war, the workers are having to spend a larger percentage of their wages on food than before. Notwithstanding the high proportion of the industrial worker's expenditure on food (over 50 per cent. of his budget) in India, the food seldom reaches the average standard requirement of 3,000 calories per head per day. The diet consists for the most part of cereals and pulses; and meat, fish, fats, milk, sugar, and other foods are not consumed in adequate quantities. The Bombay Labour Office, for instance, after an enquiry made in 1923, concluded that "in general it could be said that while industrial workers consumed the maximum amount of cereals prescribed by the Famine Code, it was less than the diet prescribed by the Bombay Prison Manual".

Further evidence in confirmation of the inadequacy of the income of the average industrial worker in India may be found in his chronic indebtedness. The investigations of the Royal Commission on Labour showed that the majority of such workers were in debt at the time of the enquiry. The proportion of workers or workers' families in debt in most industrial centres has been estimated at not less than two thirds of the total, and the extent of the debt, exclusive of current monthly purchases on credit, at not less than the aggregate of three months' wages. The loans are usually advanced by moneylenders at usurious rates of interest, frequently of 75 per cent. or more. The monthly charges alone on the loans are stated to amount often to 20 per cent. of the wages. Mainly as a result of the recommendations of the Royal Commission on Labour, various legislative measures, central as well as provincial, designed to check excessive lending and borrowing, have been adopted since the early 'thirties. These measures provide for the prompt payment of wages and the liquidation of unsecured debts of workers, prohibit the besetting of industrial establishments by moneylenders for collecting their dues from the workers on pay days, and protect the workers from imprisonment, and their wages or salaries from attachment, for debt. On the positive side, there are signs that industrial workers' credit co-operative societies are being gradually developed. The Labour Investigation Com-

mittee, in its *Main Report* published in 1946, found, however, that:

> In spite of the remedial measures suggested by the Royal Commission some of which have already been implemented, the indebtedness of the industrial worker in this country does not seem to be diminishing. A wartime development . . . the opening of grain shops by employers and the supply of provisions at cost price must have considerably helped large sections of the industrial population to avoid getting into the clutches of the moneylender and the shopkeeper, and this is a development which, even in peacetime is worthy of being continued in order to safeguard the interests of the workers. But the more fundamental need is that the worker should be able to earn enough not only to meet his day-to-day wants but to have some margin for saving which can be utilised for unforeseen expenditure and also for conventional necessities such as expenditure during marriages, etc.

A survey of the cost of living of the working classes carried out in Colombo in 1938, showed that the average composition of the family was 5.6 members, and that the average monthly income of the head of the family was 39.4 rupees, while that of the other members was 8.95 rupees. The proportion of a family's income spent on food, was 52.4 per cent., and on rent almost 16 per cent. A similar investigation conducted in 1941 on estates in Ceylon employing Indian labour showed that the income of a labourer was 11.30 rupees, of which 67.5 per cent. was spent on food. The cost-of-living index numbers for workers in Colombo and for estate labourers show a steady rise during the period 1940-1946, from 120 in December 1940 to 239 in December 1946 for the former group, and from 111 to 232 for the latter. Although before the war, the incidence of malnutrition was gradually decreasing, the war and consequent shortages led to a deterioration in the situation. Such improvements in the nutrition of the working classes as have taken place have been due mainly to the public health activities of the Department of Medical and Sanitary Services, the provision of canteens by employers, and the free feeding of schoolchildren.

Before the war, the wages for plantation workers employed on long-term contracts in Indo-China were usually supplemented by free daily rations.

Investigations made in 1940 in the Philippines into the condition of the workers' families in Manila showed that nearly 85

per cent. of those covered lived in want or "poverty", about 12 per cent. in "health and efficiency" and the remainder in "comfort". The standard of living of the urban worker in the Philippines at the time was reported to be no better than that of the rural worker.

Federalism and Labour Legislation

In dealing with legislation on the conditions of work in industry in Asiatic countries, it is necessary to call attention to the relations between the central and provincial or local Governments in regard to law-making powers. These relations are briefly discussed below in connection with the enforcement of labour laws, but the constitutional provisions affect the administration as well as the promulgation of such laws. In many Asiatic countries the Constitution is in process of revision, and in view of the extent of the territories and the population involved, it may be assumed that the new Constitutions will be federal or quasi-federal in character.

Sir Atul Chatterjee has summed up in an article published in the April-May 1944 issue of the *International Labour Review* the implications of the working of the Federal Constitution of 1935 in India from the point of view of the formulation and application of labour legislation :

> The [Government of India] Act aimed at establishing a completely new system of government of India. The provinces were granted full autonomy in respect of a large number of subjects, and were endowed with entirely independent sources of revenue and given complete control of their own finance. The authority, legislative and executive, in the provinces was vested in Ministers chosen from and responsible to legislatures elected on a comparatively wide franchise and containing no nominated officials or non-officials . . .
>
> Under the 1935 Constitution, there is a demarcation between provincial and central functions regarding legislation as well as administration. Briefly, the regulation of labour and safety in mines and oilfields is a central (or federal) subject. Inter-provincial migration is a central subject. But the following are subjects of concurrent legislative jurisdiction: "factories; welfare of labour; conditions of labour; provident funds; employers' liability and workmen's compensation; health insurance, including invalidity pensions; old-age pensions; unemployment insurance; trade unions; industrial and labour disputes; enquiries and statistics for the purpose of any of the matters" enumerated (section 100 (2)). The central (or federal) legislature and a provincial legislature both have power to make laws

with respect to any of these matters of concurrent jurisdiction. There is, however, an important proviso. If the central legislature desires to pass legislation on any of these subjects which involves "the giving of directions to a province as to the carrying into execution" of such legislation, it must obtain the previous sanction of the Governor-General (section 126(2)) . . .

It goes without saying that the administration of labour laws involves expense. In order to persuade or enable a provincial Government with its own independent exchequer to carry out a law passed by the federal legislature, the executive authority at the Centre will necessarily be bound to couple its directions with adequate financial aid. The Constitution provides that the Centre may make grants for this and other purposes, and the legislation may itself (when an Act is passed) provide in its terms for such grants-in-aid and give directions about the way in which the grant is to be administered (section 150). If the directions are not then carried out in a province, the Governor-General may issue as orders to the Governor of that province either the directions previously given or those directions modified in such manner as the Governor-General thinks proper (section 126 (4)) . . . It will thus be seen that the powers of the Central legislature in the concurrent jurisdiction field are limited by the discretion and the authority of the Governor-General. . .

Some recent measures passed by the central legislature reflect the change... which took place in the relation between the Centre and the provinces in April 1937. Laws passed in 1940 and 1941 enable the provinces, *if they so desire,* to apply the provisions of the Factories Act of 1934 to any premises where a manufacturing process is carried on, with or without the use of power, if 10 or more persons are employed. Specified provisions of the Factories Act can also be applied by the provinces, *if they so desire,* to "small factories" where a child under 15 years is working, even if less than 10 persons are employed, provided power is used.

Similarly, by the Weekly Holidays Act of 1942, the provinces can, *if they choose to do so,* prescribe one weekly holiday and a half holiday for employees in shops, theatres, and restaurants. The Industrial Statistics Act of 1942 empowers the provinces, *if they so desire,* to collect statistics relating to any matter concerning "factories" or relating to welfare and conditions of labour.

An organisation consisting of representatives of the Central, provincial, and various State Governments and of representatives of employers and workers' organisations, with a Constitution modelled on the Constitution of the International Labour Organisation, was set up in India in 1942. Matters of labour interest, including proposals for legislation, are as a rule referred to this organisation for observations. The functions of the organisation are, however, advisory in character.

Since this Report was prepared, political decisions of great importance have been taken, and at the time of going to press, far-reaching constitutional changes are in progress. A part of the territory hitherto covered by the Government of India Act, 1935, is being reconstituted as a separate State. The relations between the central Governments and local units with regard to labour subjects will be decided by the Constitution-making bodies concerned.

The position in India has been mentioned at some length, both because the situation in that country is under consideration at the present time and because a similar situation might arise elsewhere. In large countries the relations between the central and local authorities are of very great importance in the proper co-ordination of labour policy. Although this is mainly an internal matter, in view of its bearing on the evolution of labour policy it seems necessary to call attention to it here.

It may be noted that the new Chinese Constitution which was promulgated by the National Government on 1 January 1947, and is to come into operation on 25 December 1947, includes labour and social affairs among the matters to be legislated upon and administered by the central Government; their administration may, however, be delegated to the local authorities (Article 108).

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It will be seen from the preceding short survey of the position of the industrial worker in Asiatic countries that although in many instances a promising beginning has been made with regard to the determination of standards of working conditions—the regulation of hours of work, the provision of annual holidays with pay and of measures for the promotion of the health and safety of the worker while at work, the regulation of wages—his living conditions leave a great deal to be desired. This is hardly surprising, for the industrial worker is inevitably affected by the low standards which generally obtain in his environment. It is illusory to believe that it will somehow be possible to secure and maintain far higher standards for the industrial worker than for the rural worker. In the long run the only sure hope of safeguarding the living standards of the industrial worker is to bring about an improvement in

living conditions generally, although, for reasons stated previously, during the period of transition the industrial worker is entitled to special protection.

On the question of improving the conditions of work in Asiatic countries and bringing them gradually into conformity with the standards laid down in the International Labour Code, the present Conference will be in a position to express its views in considering Report III. Of the numerous other issues touched upon in the preceding survey, two might perhaps be selected as of urgent and outstanding interest to all the countries concerned: (1) the collection and compilation of statistical data on various labour questions by the competent authorities in each of the Asiatic countries represented, since such statistical material is indispensable for considering further action for improvement; and (2) the study of the problem of workers' housing.

The gravity of the present situation in almost all Asiatic countries so far as workers' housing is concerned and the need for urgent action can hardly be exaggerated. Owing to the insanitary conditions in rural areas, especially in the rainy season, the workers are a prey to many illnesses, while in urban areas the ill-ventilated, dark and dingy, overcrowded workers' dwellings are a constant strain on the inhabitants, steadily impairing their physical condition and powers of resistance. Such conditions are hardly conducive to a happy family life, and are corrosive in effect, tending to disintegrate the social structure. The exodus of rural workers to urban areas in the past had at least this advantage, that it ensured a steady supply of a comparatively healthy labour force to industry. But in recent years the industrial population has tended to settle down in urban areas. The deplorable effect of bad housing conditions on the physical well-being and social outlook of the urban industrial population is already apparent, and will become increasingly manifest with each succeeding generation. It is essential that the public authorities, from the central Government at the top, to the municipalities at the other end of the scale, should give the highest priority to the question of workers' housing. A number of important issues are involved in considering this question: financial arrangements for the construction of a large number of houses which can be let to workers at low rents; material arrangements for getting to-

gether the necessary building equipment; administrative arrangements for the proper execution of the plans; careful planning of the location of the housing sites, and the layout of the houses so as to provide for sufficient accommodation and for ventilation, lighting, and sanitary conveniences. Admittedly, the problem is not a simple one, but by the co-ordination of local, regional, and wider international action, progress can be made.

On both the above questions, the Conference might desire to recommend the nature of the machinery to be set up for further investigations, and also to give some indication of the targets to be aimed at as a first step.

CHAPTER VI

INDUSTRIAL RELATIONS

The satisfactory regulation of industrial relations is admittedly an important part of labour policy. The first essential factor in the development of a sufficiently comprehensive and efficient system of industrial relations is the existence of associations of employers and workers, strong, free from undue interference, and capable of concluding collective agreements for the regulation of wages and conditions of work. Experience has shown that the unfettered activity of trade associations is indispensable for social progress. The second important factor is the establishment of a satisfactory system of conciliation and arbitration for the settlement of industrial disputes. The provision of machinery for this purpose is of little avail unless either party to a dispute is free to press its own case and has developed a sufficient sense of social responsibility to appreciate the value of compromise and of the rule of law. The negotiations for the conclusion of collective agreements provide the opportunities to acquire training in constructive statesmanship.[1]

Trade Union Development in Asiatic Countries

Trade unions in the form in which they are at present found in advanced industrial countries are a product of the industrial revolution. They arose as a result of the deepening consciousness of industrial workers that they were being exploited and of their consequent attempts to resist such exploitation by collective action. The early phases of the development of the trade union movement were marked by clashes between employers and workers, but with the establishment of organised indus-

[1] For a comprehensive review of the question of the regulation of industrial relations, see International Labour Conference, 30th Session, Geneva, 1947, Report VII : *Freedom of Association and Industrial Relations* (Geneva, 1947).

trial relations on a firm basis, negotiations between the two parties assumed increasing importance. These negotiations have proved to be the precursors of collaboration between them—collaboration which advances in the measure in which the need for social progress is appreciated by the community at large.

The beginnings of the consolidation of the workers' organisations in China on a national basis may be said to date back to 1924, when the first regulations recognising the workers' right to freedom of association and to engage in collective bargaining were promulgated by Dr. Sun Yat-sen's Government in Canton. During the two or three following years the movement made great progress, but it suffered a setback in 1927 as the result of a political crisis. The National Government promulgated in July 1928 provisional regulations for the settlement of disputes between capital and labour, and in November 1929 the Trade Union Act came into force. The Administrative Yuan issued in October 1932 four sets of regulations governing the seamen's, railway workers', postal workers', and telegraph workers' unions, with effect from July 1933. These regulations required previous authorisation from the public authorities for the establishment of trade unions in accordance with the provisions of the Trade Union Act. They also imposed various other obligations on the unions, such as registration, the submission of periodic returns of membership, the filing of advance notice of meetings, and the communication of records of proceedings.

Emergency measures adopted during the war were designed to enlist the assistance of the trade unions in the war effort and assign to them definite responsibilities in the mobilisation of manpower. Accordingly, the trade unions were brought under Government control, membership of the appropriate union was made compulsory for each worker, and among the functions assigned to the trade unions were the provision of facilities for the technical training of the workers and the promotion of labour welfare. Steps were also taken by the Ministry of Social Affairs for the establishment of model unions and for the provision of facilities for training social workers, including candidates for office in trade union organisations.

In 1943, the Chinese Trade Union Act was amended. The effect of the amendment is to make it compulsory to organise a trade union in any area where there are at least 50 workers aged over 20 years belonging to the same branch of industry, or 30

workers belonging to the same craft; membership of the appropriate union is compulsory for all workers; not more than one union may be established for each industry or craft in each area; and three types of federations of trade unions may be established: municipal or "hsien" general unions, provincial federations of industrial or craft unions, and a national congress of trade union federations. The Act authorised trade unions to build up their funds by receipts from the entrance and membership charges, special foundation funds, and occasional collections. The entrance fee is limited to the daily wage of the worker at the time of his joining the union and the regular membership fee to not more than 2 per cent. of the worker's income. Contributions to the special foundation fund and occasional collections may not be resorted to without previous authorisation, nor may capital shares be levied unless they have been sanctioned by the authorities. The welfare activities of the trade unions are to be financed by a statutory welfare fund made up of contributions from both employers and workers. An Agricultural Trade Union Act was also passed in 1943, to authorise the organisation of unions of agricultural workers in conformity with the international labour Convention on the subject.

A Committee set up under the Ministry of Social Affairs to draft social legislation is now considering a further revision of the Trade Union Act, among other things, for the purpose of providing in detail for the organisation of a federation of trade unions. The programme of work drawn up by the Ministry for 1946 was as follows: development of labour organisations in the areas recovered from the Japanese; reorganisation and development of trade unions in Government-operated undertakings; promotion of seamen's unions in important ports; consolidation and development of trade unions in the salt industry; preparation for the establishment of a national federation of workers in the principal industries; preparation for the organisation of a national federation of trade unions; strengthening of trade union leadership at home and of the representation of the Chinese trade union movement in the international labour movement; promotion of collective bargaining between labour and management; and establishment in 6 important industrial centres of "experimental districts", or selected areas, for trade union work. One such area, the Wusih experimental district,

for example, set up a committee, early in 1947, under the chairmanship of a representative of the Minister of Social Affairs, to direct labour activities, with the following aims: to complete and consolidate labour organisation and develop a democratic spirit; to promote labour welfare and stabilise the workers' standard of living; to maintain labour discipline and increase production; and to promote harmonious relations between employers and workers and put into practice principles of labour-management co-operation. The "district" has also fixed minimum standards of labour welfare amenities to be provided by factories, and inspections are made to supervise the observance of these standards. Corresponding secretaries (who include Kuomingtang Party members) submit reports on the activities of trade unions directly to the experimental district, while a representative of the district lives permanently in the workers' quarters, in order to help and guide their activities.

Though the Chinese Association of Labour, set up in 1935, is not a trade union within the meaning of the Act, it has in fact become the representative organisation of the labour movement in China in the absence of a national federation of labour. In July 1946, the Association had a registered membership of over 2,000,000. Towards the end of the year, there was a split in the organisation, ascribed to a difference among its leaders on the steps to be taken for unifying the labour movement.

According to the Statistics Department of the Ministry of Social Affairs, the number of trade unions in China, in areas under the control of the Government, at the end of May 1946 was 4,919, including 5 federations for particular industries, 4,377 industrial or craft unions, 323 municipal and hsien general unions, and 214 special unions of workers in the mining and transport and communications industries. Since the end of the war, the trade unions have been able to resume their normal activities, including the consolidation of their organisations, the efforts to improve conditions of employment, the promotion of labour welfare, and political activity. Two unions have been reorganised in areas recovered from the Japanese, the National Postal Workers' Union and the Railway Workers' Union, and in December 1946 the Chinese Seamen's Union was formally established.

It may be noted that in China the law specifically provides for the co-operation of the trade union organisations with

similar organisations in other countries. China was allotted a seat on the Executive Committee of the World Federation of Trade Unions in recognition of the growing strength of the trade union movement in that country.

Industrial labour in India, which at the close of the First World War was largely unorganised, has emerged from the Second World War fully aware of the advantages which will accrue to it if it is strongly organised. Although the active beginnings of the Indian trade union movement date back to 1918, it was not until 1926 that the Indian Trade Unions Act was passed. Between 1927-1928 and 1934-35, the number of registered trade unions increased from 29 to 213 and their total membership from 100,619 to 284,918. This total was not exceeded till 1937-38, when it reached 390,112. By 1943-44, it had risen to 780,967 and in 1944-45 there were 865 registered unions with a total membership of 889,388. This increase was achieved notwithstanding considerable difficulties of organisation and the hampering effect of inadequate funds. In 1943-44, the number of registered trade unions in Bengal was 297, with a membership of 289,658; in Madras, 174 with a membership of only 49,451; and in Bombay only 82, but with a membership of 149,359. In 1944-45, there were 330 unions in Bengal, 93 in Bombay. The total number of unions whose activities were not confined to a single province was 30 in 1943-44, and 31 in 1944-45. The railway workers' unions numbered 82 in 1943-44, with a membership of 304,486; the textile workers' unions, 113, with 210,712 members; and the seamen's unions 9, with 79,501 members.

According to the Royal Commission on Labour in India, the lack of a democratic spirit and of education is the main obstacle in the way of the organisation of the Indian workers. Much of the industrial labour is migratory in character, inclined to regard residence in urban areas as well as the monotony of factory life as irksome, intent on returning to the land, and consequently not sufficiently interested in organised activities. Furthermore, as the Royal Commission remarked, "those whose wages and leisure are barely adequate for sustained work in the factory are not likely to find energy or leisure for activity outside it".

Having regard to the abundant labour supply for industry consequent upon underemployment in rural areas and the comparatively small volume of industrial employment, and to the

lack of homogeneity and of an industrial tradition among the workers, the widespread prevalence of poverty and illiteracy, the insufficiency of efficient leadership from the ranks of the workers themselves and other existing conditions, the slow progress made by the trade union movement in India is not surprising. The influence of organised labour, however, is not to be measured solely in terms of active trade union membership. Trade union meetings are attended by non-members, who are often more numerous than the members; and for collective action both members and non-members band together.

The Indian Trade Unions Act of 1926 differs from the United Kingdom and other Dominion legislation on the subject mainly in the fact that the application of its provisions is confined to unions which seek registration under it. Under this Act, provincial Governments are required to appoint a registrar of trade unions; and although registration is optional, it confers on registered unions and their members a measure of immunity from civil suits and criminal prosecutions. The registered unions also incur certain obligations, the most important of which are the adoption of a regular constitution, the annual submission of audited accounts, the establishment of an executive consisting of a majority of actual workers, and the separation from the general funds of political funds, which can be collected only from those members who are willing to contribute. The Act was amended in 1928 to facilitate the procedure of appeal against decisions of a registrar refusing to register a trade union or withdrawing a certificate of registration. As the Royal Commission on Labour in India observed, "the stimulus given by the Act to trade unionism resulted, not so much from any rights or liabilities that it created, as from the enhanced status given by the recognition of trade unions in the statute book".

A Government Bill further to amend the Indian Trade Unions Act was introduced in the Central Legislative Assembly in February 1946. The Bill imposes an obligation on the employers to recognise trade unions provided that these fulfil the specified conditions, and confers certain rights on the recognised unions. It also specifies certain acts as unfair practices on the part of the recognised unions and the employers, and provides penalties for such practices.

During the period 1937-38 to 1944-45, the number of registered trade unions in India increased from 420 to 865, or by 106 per cent.; and the total membership of unions submitting returns increased from 390,112 to 889,388, or by 128 per cent. The membership figures, however, fail to give a complete picture of the strength of organised labour in India, as a large proportion (approximately 30 per cent. during the war) of registered trade unions failed to submit prescribed returns. There are, moreover, unregistered unions, for which membership figures are not available, except in the case of Bombay, where in December 1942 there were 100 unregistered trade unions with a membership of 29,574, as compared with 89 registered unions with a membership of 155,782. Unregistered unions also exist among workers in the handloom industry in the larger establishments using power, and among workers on large-scale plantations, particularly the tea gardens in Assam.

Although during the period 1937-38 to 1942-43 trade union membership increased in all branches of industry, the extent of the increase was largest in the engineering group, followed by tramways, docks and port trusts, municipal workers, and textiles, respectively; in absolute numbers the largest category was the railways, followed by textiles. During the same period, the number of women members of unions increased by 76.6 per cent.—a rate slightly higher than the rate of increase for all members (75.7 per cent.).

The agricultural workers are also beginning to organise. The number of landless agricultural labourers has been increasing in recent years in all parts of the country. The proportion of farm servants and field labourers to cultivating farmers rose from 291 per 1,000 in 1921 to 407 in 1931. The number of landless agricultural labourers in India has been estimated at 68 million, or 17 per cent. of the total population. The All-India Peasants' Organisation (*Kisan Sabha*), which was founded in 1935, is reported to be gaining in strength, although definite and reliable figures concerning its membership are not available.

All the provinces showed an increase in trade union membership during the period 1938-1943, except the Punjab (where there was a decrease in membership of as much as 79 per cent.), Sind (7 per cent. decrease), and the United Provinces (10 per cent. decrease). The increase was negligible in Madras.

It was 53 per cent. in Bengal, 72 per cent. in Bombay, 170 per cent. in the North-West Frontier Province, 228 per cent. in Bihar, and 230 per cent. in the Central Provinces and Berar. There are a number of unions in some of the Indian States (Baroda, Cochin, Hyderabad, Mysore, Travancore). The railway workers' unions in Hyderabad and Mysore are affiliated to the All-India Railwaymen's Federation. The wartime increase in trade union membership in India may be explained partly by the general increase in employment and partly by the necessity for concerted action on the part of industrial employees to secure an increase in their earnings especially in view of the inflationary rise in prices.

Trade unions in India suffer from a paucity of funds which seriously circumscribes their activities and gives them little staying power. The membership dues, which before the war amounted to one or two annas per month or a day's wage per year, are collected either in the office of the union or through members appointed for that purpose. Both these methods involve difficulties and risks, and a considerable proportion of the dues remain unpaid. Before 1937, when the Payment of Wages Act, 1936, came into force, in the case of the textile mills of Ahmedabad and the Tata Iron Steel Works at Jamshedpur, the management deducted the membership dues from the workers' wages for the union.

The total annual income of the trade unions in India submitting returns increased from 693,444 rupees in 1937-38 (343 unions) to 1,596,984 rupees in 1942-43 (489 unions), or by 130.3 per cent.; the corresponding increase in the balance at the end of the year was 138.8 per cent. During the same period, the income per member increased by 32.1 per cent. In 1944-45, the total income was 1,939,969 rupees (573 unions), an increase of 179.8 per cent. on the 1937-38 figure, while the increase in the balance at the end of the year was 260.7 per cent. The total income, however, is not a sound criterion of the financial position of a union, as unpaid dues are generally included in the assets. In the province of Bombay, for instance, unpaid dues represented 28.4 per cent. of the total assets in 1940-41, 25.2 per cent. in 1941-42, 27.6 per cent. in 1942-43, and 28.4 per cent. in 1943-44. In the United Provinces unpaid subscriptions accounted for 21.4 per cent. of the total shown as assets in 1943-44. The income of many unions, fur-

thermore, is too meagre to finance any effective programme. Their straitened circumstances lead to the undesirable practice of financing expenditure partly by donations from unspecified sources. In the case of several unions in Bombay, for instance, the expenditure was reported to be "out of all proportion to their income and had it not been for the large donations which they received they would hardly have been able to keep functioning".

Until recently there were two national trade union organisations in India with affiliated unions in all parts of the country and in a large number of trades and occupations: the All-India Trade Union Congress and the Indian Federation of Labour, both with provincial or regional and local branches. A third national organisation, the Indian National Trade Union Congress, was formed in May 1947. There are other national federations, such as the All-India Railwaymen's Federation and the All-India Postal and Railway Mail Service Union whose membership is confined to unions in specific industries, notably public utilities. In addition, there are provincial and local federations; the most outstanding of such local organisations is the Textile Labour Association at Ahmedabad.

The All-India Trade Union Congress (A.I.T.U.C.) was formed in 1920. Its establishment was influenced largely by the requirement of the Constitution of the International Labour Organisation that the workers' delegates to the International Labour Conference should be drawn from the most representative workers' organisation in each country. In 1929, a number of unions belonging to the Congress seceded from it and formed the All-India Trade Union Federation. In 1931 the Red Trade Union Congress also seceded, but this particular organisation ceased to exist in 1935. Three years later the All-India Trade Union Federation combined with the A.I.T.U.C., which remained, for a few years, the sole labour organisation of national importance. In 1941, however, the Indian Federation of Labour (I.F.L.) was founded with a twofold purpose: "(1) mobilisation of Indian labour for conscious and purposeful participation in war efforts; (2) securing for the workers the bare minimum of wages and amenities which the wartime conditions demanded and without which maintenance of workers' morale was an impossibility". The Federation, which started with 182 unions with a total membership of 288,676, belonging to

important industries such as steel, textiles, railways and other transport, shipping, and mines, claimed in December 1944 a membership of 407,773, belonging to 22 unions. In September 1945 a special enquiry was carried out by the Government into the relative strength of the Indian Federation of Labour and the All-India Trade Union Congress, as a result of which the Congress was declared to be the more representative organisation, with 696,555 members, as against the 313,807 members of the Federation. The draft constitution of the new organisation, the Indian National Trade Union Congress (I.N.T.U.C.), was approved on 4 May 1947. One of its outstanding features is that every affiliated organisation must offer to submit to arbitration every industrial dispute in which a settlement is not reached by negotiation, and must not sanction or support a strike till other means of settlement have been exhausted. Among the declared objects of the new organisation are: to eliminate progressively social, political and economic exploitation and inequality, the profit motive, and anti-social concentration of power in any form; to place industry under State ownership or control; to ensure full employment; to secure the increasing association of workers in the administration and control of industry; and to promote the civic and political interests of workers. The I.N.T.U.C. proposes to form nation-wide organisations of all categories of workers in each industry, and to assist in the formation of trade unions.

The Textile Labour Association at Ahmedabad was founded in 1920 by Mr. Gandhi, to whose personal influence with the local employers and workers it owes its success to no small extent; it was reported to have a membership of about 33,000 in 1945. Until recently, it had not been affiliated with any of the national organisations, but in May 1947, shortly after the formation of the Indian National Trade Union Congress, the Joint Board of Representatives of the Textile Labour Association resolved to affiliate with that body.

The All-India Railwaymen's Federation was founded in 1925, and virtually all the railway unions in India, many of which were established between 1918 and 1921, were for a time affiliated with it. The Railway Board has for many years held conferences, as a rule half-yearly, with the chief representatives of the Federation to consider questions affecting the wages and conditions of service of railway employees.

Representatives of Indian trade unions have participated not only in the deliberations of the International Labour Organisation since 1919, but also in the meetings of workers' organisations of other countries, such as the British Trades Union Congress, and of international organisations, such as the International Federation of Trade Unions, and the Asiatic Labour Congress, which held two sessions, one in 1934 and the other in 1937. They also took part in the Second World Trade Union Conference, which was held at Paris in 1945; India and Ceylon were allotted one seat on the Executive Committee of the World Trade Union Federation set up by this Conference.

Some reference should also be made in this connection to the representation of the workers' interests on public bodies. The Government of India Act, 1935, provided for special representation of the interests of labour as well as of commerce and industry on various legislative bodies. Out of a total of 1,535 seats, in 10 out of the 11 provincial Legislative Assemblies, 38 (8 in Bengal, 7 in Bombay, 6 in Madras, 4 in Assam, 3 each in the United Provinces, the Punjab, and Bihar, 2 in the Central Provinces and Berar, and 1 each in Orissa and Sind) were allotted to representatives of labour and 56 to representatives of employers in commerce, industry, mining, and plantations. The labour representatives are elected partly by the members of registered trade unions and partly by wage earners in special labour constituencies, while the employers' representatives are elected by chambers of commerce and similar bodies. The total number of trade unions recognised for the purpose of electing representatives to provincial legislatures was 78 in 1940-41; of these 27 were in Bengal, 5 in Bihar, 8 in Bombay, 7 in the Central Provinces and Berar, 18 in Madras, 5 in the Punjab, 3 in Sind, and 5 in the United Provinces.

Until 1937, when Burma was separated from India, the Indian trade union legislation applied to Burma, where there were the beginnings of a trade union movement, particularly in the port of Rangoon. The Indian legislation as it then stood remained on the Burmese statute book, but by the end of the war, no pre-war trade unions were left, and the movement had to be started afresh. Since January 1946, the Directorate of Labour has been active in implementing the Government's policy of fostering the growth of a healthy and responsible trade union movement, and by March 1947, 34 unions had been re-

gistered under the Act, with a total membership of about 16,200. A report on labour problems in South-east Asia, recently prepared by Miss Virginia Thompson under the auspices of the Institute of Pacific Relations of New York, calls attention to the great advances made by the labour movement in Burma since the end of the war. The author ascribes this development to "the progress made by organised labour before the war; the greater self-confidence of Burma's leaders who enjoyed nominal independence during the Japanese occupation; and the more liberal policy of a metropolitan Government committed to supporting the advancement of organised labour".

The organisation of trade unions in Ceylon is regulated by the Trade Union Ordinance of 1935, under which registration is compulsory and the registered unions and their members enjoy certain immunities. The local trade union movement gathered appreciable strength during the interval between the two wars, although adversely affected by cleavages resulting from diversity in the structure of the working population. There are now 105 unions with a total membership of 189,309. The largest union, with 107,995 members, is composed mainly of plantation workers.

Under the legislation in force in Indo-China, the organisation of trade unions, properly so called, is not permissible, but workers' mutual aid associations may be established. The introduction of measures recognising the right of association is, however, under consideration.

Trade union law in the French Establishments in India is based on the provisions in force in France in respect of freedom of association, collective bargaining, and conciliation and arbitration in labour disputes. There is a General Federation of Trade Unions for these territories, comprising 48 affiliated unions with 30,000 members (10 per cent. of the total population).

The total trade union membership in Indonesia in 1941 was reported to be 123,500.

In Malaya, where statutory provision for the registration of trade unions was made in 1940, trade union organisation on modern lines is well under way. (At 1 March 1939, there were in the former Straits Settlements, Federated Malay States, Johore and Kedah 92 workers' associations, 191 employers' associations, and 144 mixed associations, with functions roughly

similar to those of trade unions as defined in the Trade Union Bill which became law in the following year.)

According to the Philippine Commonwealth Act No. 213, a trade union registered under the Act acquires the right of collective bargaining with employers. Before the Japanese invasion, there were about 340 registered trade unions, with a membership of about 90,000, and it is reported that there were about 190,000 workers in unregistered unions. During the war, trade unions were outlawed, and after the liberation a fresh start had to be made. By 31 December 1945, there were 19 registered trade unions with a membership of 3,922, and also a number of unregistered unions.

The organisation of industrial employers has also made some headway in recent years in Asiatic countries, particularly in China and India. A national organisation of industrial employers—the Chinese National Industrial Association—was established in Chungking in April 1943 to expedite the enactment of legislation relating to the establishment and working of industrial (as distinct from commercial) associations and to assist in the fullest measure in the industrialisation of the country. Particular attention was to be given to the preparation of plans for post-war development, the promotion of research in industrial economics, and the protection of home industries, with special reference to possible future commercial treaties with other countries. It moved to the east of the country in 1946 and its present membership is reported to be 5,000, including 300 in Shanghai.

The employers' organisations in India may be classified under three heads: commercial associations, industrial associations, and employers' associations; there is hardly any difference as to labour policy between the last two except that the employers' associations were expressly formed for dealing with labour questions. The most important commercial associations are the chambers of commerce, both Indian and European, located in almost all the main commercial centres. The most important industrial associations are the Mill Owners' Association, founded in Bombay in 1875; the Indian Tea Association, founded in Calcutta in 1881; the Indian Jute Mills Association, founded in Calcutta in 1884; the Ahmedabad Mill Owners' Association, founded in 1891; the Indian Mining As-

sociation, founded in Calcutta in 1892; and the United Planters' Association of Southern India, founded in Madras in 1893. With a view to promoting the interests of the Indian mining industry, the Indian Mining Federation was formed in 1913, and similar associations were also organised in other industries, such as jute and tea. The Federation of Indian Chambers of Commerce was founded in 1927 for the purpose of centralising and co-ordinating the activities of the commercial and industrial associations

The federations of employers' organisations were formed mainly for the purpose of considering labour questions of national interest and enabling the Indian employers' representatives to participate in the deliberations of the International Labour Organisation more effectively. The most important are the Employers' Federation of Southern India, founded in Madras in 1920; the All-India Organisation of Industrial Employers, founded under the auspices of the Federation of the Indian Chambers of Commerce and Industry in Bombay in 1933; and the Employers' Federation of India, founded under the auspices of the Bombay Mill Owners' Association in 1933.

The objects of the All-India Organisation of Industrial Employers and the Employers' Federation of India are identical and may be summarised as follows: (1) the establishment of harmonious relations between labour and capital; (2) the securing of proper representation of the interests of their members in the provincial, central or federal legislatures; (3) the nomination of delegates and advisers to represent the employers of India at the International Labour Conference.

Organisations of planters have been in existence for the past several years in a number of territories in which plantations form an important part of the local economy, such as Ceylon and Malaya. In Ceylon, there is a strong federation of industrial employers, called the Employers' Federation of Ceylon, in addition to the employers' organisations for the plantation industries: the Ceylon Estate Employers' Federation, the Planters' Association, the Ceylon Estates Proprietary Association, and the Low-Country Products Association. Eleven employers' associations and one federation are registered under the Trade Union Ordinance.

Regulation of Industrial Relations

In his report to which reference has previously been made, Sir Harold Butler observed with reference to industrial relations in India:

> Notwithstanding the extensive reforms which have been carried out by the Indian Legislatures during the past fifteen years, there are signs of acute discontent in most industrial centres. Strikes have been and continue to be frequent, most of them short and sporadic, but some bitter and prolonged. In fact, the problem of industrial relations may perhaps be considered to be the chief problem confronting Indian industry at the present time, and one upon which further industrial development to some extent depends. The prevalence of labour conflicts has been marked, taking into consideration the relatively small number of industrial workers.

These observations might *mutatis mutandis* be applied to the conditions in industry as they have existed during the past several years in most Asiatic countries and more particularly since the First World War. The conditions in the plantation industry may be said to have been in the past in some measure an exception to this generalisation. This has been so because the plantations employ as a rule a large number of immigrant workers for essential work and these workers are provided with residential accommodation on the estates. The estates are the private property of individual owners or of joint stock companies, to which outsiders can have only restricted access and on which it is not easy to carry on trade union activities.

In China, the number of industrial disputes has been high, as may be seen from the figures for Shanghai, where during the five years 1932-1936, there were no less than 1,452 industrial disputes (including 542 strikes) involving 1,144,315 workers. During the war, owing to the policy adopted by the Japanese authorities, there were very few cases of labour disputes, but they became frequent after the liberation. In the 10 months from August 1945 to June 1946 there were in Shanghai 1,493 labour disputes, including 262 strikes and lockouts, and the figures for other cities show a similar increase.

The machinery for the settlement of industrial disputes provided by statute (the Labour Disputes Act was passed in 1928 and was amended in 1930 and 1932) consists of conciliation committees (made up of 5 to 7 members: 2 representatives each of the contending parties and 1 to 3 Government nominees)

and arbitration boards (composed of 5 members: one representative each of employers and workers not directly involved in the dispute, one Government nominee, one representative of the local court of law, and one Kuomingtang Party representative). Awards by conciliation committees and arbitration boards are required to be issued within 9 days of the date on which the dispute was referred to them. Unlike the findings of the conciliation committees, which are binding only if acceptable to the parties concerned, the awards of the arbitration courts may be enforced and there is no right of appeal.

Additional precautions were taken in wartime to prevent the war effort from being adversely affected by industrial dislocation. Agricultural, industrial, mining, and commercial undertakings were brought under Government control, and the cessation of work or the interference with production in these branches of economic activity was prohibited by measures adopted in 1942 in accordance with the National General Mobilisation Act. In May 1943 the Labour Disputes Act was further amended. The amendment prohibited strikes or lockouts in private undertakings during the emergency. It also provided for the determination by the Government of conditions of employment in undertakings owned by the State, and prohibited the resort to strikes or lockouts in them. As a consequential measure, the Ministry of Social Affairs issued regulations for the appointment of arbitrators for the settlement of industrial disputes.

Owing to the outbreak of disputes after the war, the Ministry of Social Affairs promulgated regulations concerning the arbitration of labour disputes during the period of reconversion of industry from wartime to peacetime production. These regulations provide for the establishment of arbitration boards in different industrial regions under local authorities. Labour is represented on these boards, which may consist of 9 to 15 members, and their functions include the periodical adjustment of wages. Provision is made for enforcing the decisions of the boards.

Collective agreements between organised employers and workers may be concluded in China under an Act of 1930, which came into force in 1932; in such agreements conditions of apprenticeship, trade union organisation, the operation of employment agencies, and the settlement of industrial disputes (the establishment of an agency for the purpose, or the determina-

tion of the procedure relating to the submission of disputes to existing agencies) may be included. However, such agreements must be submitted to the competent authority for approval before they can be enforced, as a safeguard against the inclusion in them of provisions prejudicial to the interests of either party.

There was a great deal of industrial unrest in India in the years immediately following the end of the First World War. Such unrest was mainly due, in the words of the Royal Commission on Labour, to "the realisation of the potentialities of the strike in the existing situation ... assisted by the emergence of trade union organisers, by the education which the war had given to the masses and by a scarcity of labour arising from the expansion of industry and aggravated by the great epidemics of influenza ... The great outbreak of strife after the war had obvious economic causes; a rise in wage levels was overdue, and the workers awoke to the disabilities from which they suffered in respect of long hours and other matters." The number of working days lost in 1921 and 1924 (to cite two years during this period) owing to industrial disputes was 6,984,426 and 8,730,918 respectively. In the following years the figures declined to rather less than three million working days, but in 1937 and 1938—when the effect of the economic depression was acutely felt in India—they were 8,995,257 and 9,198,708 respectively. In 1944, there were 158 disputes, involving 550,015 workers and entailing a loss of 3,447,306 working days. The corresponding figures for 1945 were 848 disputes, involving 782,192 workers and entailing a loss of 3,940,892 working days. From January to September 1946, there were 1,435 stoppages, involving 1,817,727 workers and entailing a loss of 8,925,251 working days.

The initial attempt to make legislative provision for the settlement of industrial disputes in India consisted of a measure adopted by the Central Government—the Trade Disputes Act of 1929. This measure was at the outset of a tentative character, as its validity was limited to a period of five years, but in 1934 it was placed on a permanent basis. It was still rather of the nature of an enabling measure and empowered the authorities, if they so desired, to undertake the investigation and settlement of industrial disputes. In fact, however, the traditional policy of "keeping the ring" between employers

and workers prevailed, and there were few instances in which recourse was had to the provisions of the Act. It was consequently amended in 1938. The amending Act empowered the authorities to appoint conciliation officers charged with the function of promoting industrial peace, and extended the scope of the measure by making it applicable to disputes between one employer and another and to public utilities. The Trade Disputes Act, 1929, has now been replaced by the Industrial Disputes Act, 1947, a much more detailed measure which came into force from 1 April 1947. Its main features are provisions for the prevention of strikes and lockouts, especially in public utility services and essential undertakings, and for machinery for conciliation, investigation by courts of enquiry, and if necessary, compulsory adjudication on disputes between workers and employers.

The Bombay Trade Disputes Conciliation Act of 1934 provides an instance of more elaborate legislation for the regulation of industrial relations, adopted by an industrially important province. It was followed by the Bombay Industrial Disputes Act of 1938, which was applicable only to the textile industry in the province. Under this legislation, the Commissioner of Labour was empowered to assume the functions of chief conciliator. A labour officer was appointed to act as the guardian of the workers' interests, to examine their individual grievances, and to keep in close contact with them. He might apply for conciliation proceedings and might himself appear on behalf of the workers where they had no representatives of their own. The 1938 Act empowered the Government to appoint a board of conciliation, consisting of a chairman and an equal number of members selected from panels representing the interests of the employers and the workers respectively, if the efforts of the conciliator proved unavailing. Disputes might also be referred to an arbitrator, or in certain cases to a court of industrial arbitration composed of legal experts of the standing of high court judges. Representative trade unions, or unions with a membership of not less than 25 per cent. of the total number of employees in the branch of industry concerned, were entitled under the Act to represent the interests of their members in the proceedings concerning the settlement of disputes affecting them. The Act was amended in 1941 in order to make arbitration compulsory in certain cases, and again in the follow-

ing year in order to exempt the employers from the requirement to notify such changes in the hours of work and rest periods as were authorised by the Government as a war measure. The Bombay Industrial Relations Act adopted early in 1947 is very much more extensive than the previous legislation, which it supersedes.

The Central Provinces and Berar enacted an Industrial Disputes Act in 1946. Legislative measures concerning the settlement of industrial disputes are in various stages of consideration in the provinces of Madras, Sind, and the United Provinces.

Among the other measures which have been adopted for the regulation of industrial relations, the following may be mentioned: approval by the Indian Labour Conference at its first session in 1942 of a proposal to make it obligatory for every factory employing 250 workers or more to adopt standing orders governing the working conditions, designed to place the mutual obligations between employers and workers on a clearly defined contractual basis and previously approved by the Labour Commissioner[1]; the appointment of a Conciliation Officer for Railways in 1937 and the establishment of an Industrial Advisory Board in the following year; and the establishment, early in 1945, by the Central Government of separate machinery for the especial purpose of the promotion of industrial relations in undertakings over which the Centre had direct jurisdiction (federal railways, mines, oilfields, major ports, and other industrial establishments owned or controlled by the Government of India), consisting of the Chief Labour Commissioner and the Deputy Labour Commissioner with headquarters at New Delhi, 3 regional commissioners with headquarters at Bombay, Calcutta, and Lahore respectively, and 9 conciliation officers and 23 labour inspectors located at various centres throughout the country. In this organisation, a labour welfare organisation, set up during the war and consisting of a Welfare Adviser in the Labour Department, 7 assistants for industrial areas in different parts of the country, and a woman assistant to deal with problems connected with female labour, was merged, and it now deals with industrial relations, the conciliation of labour disputes, the administration of labour legislation in so far as

[1] The Industrial Employment (Standing Orders) Act, 1946, gives effect to this proposal. Its enforcement is entrusted to the provincial Governments except in regard to Central undertakings.

such administration is the responsibility of the Central Government and no other machinery has been set up for the discharge of special responsibilities, the collection of information on wages and other labour matters, and the promotion of industrial relations generally.

Early in the war, as an emergency measure, the Central Government was empowered by an amendment of the Defence of India Rules (Rule 81A) to prohibit strikes and lockouts in connection with any trade dispute unless reasonable notice had been given, to refer the dispute to conciliation or adjudication, and to require the employer not to lower the standards of conditions of work pending the completion of the proceedings. In May 1942 provincial Governments were given similar powers under the Rule. In August 1942 the Central Government issued an Order prohibiting strikes and lockouts without 14 days' previous notice; during this period the proceedings for conciliation and adjudication were pending, and for two months thereafter strikes and lockouts were prohibited. The emergency war legislation ceased to be operative from 30 September 1946. Some of the provisions, however, were continued by Ordinance No. XX of 1946, enabling the Government to refer trade disputes to adjudication or conciliation. The award of the adjudicator can be made binding on both parties, and strikes without notice during the conciliation or adjudication proceedings and two months thereafter are illegal.

Since the war, the policy of the Government of Burma, acting through the Labour Directorate, has been to encourage works committees or joint boards in all the principal Government and industrial establishments, for purposes of regular consultation between employers and workers in regard to the improvement of working conditions and the adjustment of grievances, and for the admission of workers' representatives into spheres which were formerly regarded as functions exclusively of the management. The method is reported to have met with notable success in the Government service, the Railway Administration, and the services of the principal oil company.

A Ceylon Ordinance passed in 1931 contains provision for the reference by the Commissioner of Labour of industrial disputes to a conciliation board. In practice, however, little use has been made of this machinery, the total number of references so far being only 22. Before the war a scheme was drawn up

under the aegis of the Minister of Labour for the investigation and settlement of trade disputes in the plantation industries. This was called the "seven-point agreement" and was of considerable use in avoiding strikes. The employers have, however, recently withdrawn from the agreement.

During the war, machinery was set up under the Defence Regulations for the compulsory arbitration of disputes in certain essential services, consisting as a rule of the district judge of the area or a special tribunal appointed by the Governor for the purpose of adjudicating disputes. In all, 85 awards have been made in industrial trades and 85 in plantation trades. Since the termination of the war, however, a number of services have been withdrawn from the essential category and all awards in the plantation trades and a number in the industrial trades have ceased to be in force.

A comprehensive Industrial Disputes Bill has been drafted which, when passed, will make provision for the registration of collective agreements, for conciliation and the voluntary submission of disputes to arbitration, and for compulsory arbitration in public utility services. According to the Administration Reports of the Commissioner of Labour, strikes on estates fell from 42 in 1939 to 8 in 1942 and rose again to 28 in 1945, when the number of workers involved was 3,514 and of man-days lost 4,285. In other undertakings, the number of strikes was 5 in 1939, 14 in 1942, and 53 in 1945 with 28,875 workers involved and 153,388 man-days lost.

Although either party to an industrial dispute in the Philippines may approach the Court of Industrial Relations (a body with powers of compulsory arbitration) direct, the matter is as a rule first referred to the Strike and Lockout Section in the Labor Inspection Division of the Department of Labor for conciliation. Since the liberation and up to the end of December 1945, 5 disputes arose, involving 625 workers in all; strikes were declared in 3 cases, involving a loss of 2,030 working days.

Methods of Labour-Management Consultation

A valuable tradition, reaching back to ancient times, of the transaction of local affairs on a democratic basis in village societies may be found in many Asiatic countries. Modern industrial organisation is, however, unaffected by this tradition;

not only has the notion of such organisation been imported from abroad in comparatively recent times, but even in those parts of the world in which it was at first evolved, it is only quite lately, mainly as a result of the war, that concerted efforts have been made to infuse a democratic spirit into it. In the United Kingdom, for instance, an effort is being made for the extension of the joint production committees which received a fresh impetus during the war. Such committees are not, however, the only means of information, consultation and collaboration between the management and workers in an undertaking. The subject-matter of consultation potentially includes any question in which the workers are or ought to be interested, other than issues more appropriate to collective bargaining, from the firm's finances and output to holiday arrangements and safety rules. The main purpose in instituting such consultative machinery is to counteract the effects of the parallel growth of political freedom and economic subordination, which is a consequence of the industrial revolution. It has been observed in the United Kingdom, that the phrase "joint consultation" should "convey an attitude of mind rather than a clearly defined process", and that the psychological effect on the workers of having been consulted "is ten times more important as a rule, than the actual contribution of ideas" put forward by them. The institution of machinery for joint consultation in industrial undertakings is one of the methods which might be attempted in Asiatic countries for the promotion of more harmonious industrial relations than has hitherto been found possible.

Machinery for Tripartite Collaboration

A notable wartime development in the evolution of the organisation of industrial relations in India consisted in the establishment in 1942 of a permanent tripartite labour organisation, composed of representatives of the Central, provincial, and Indian State Governments, as well as of employers and workers, with a constitution modelled on that of the International Labour Organisation, for the promotion of uniformity of labour legislation, the determination of procedure for the settlement of industrial disputes, and consultations on all matters of industrial interest affecting the country as a whole. This organisation consists of a Standing Committee and the plenary Confer-

ence, over both of which the Member in charge of Labour in the Viceroy's Council presides. The Committee, which meets not less than twice a year, consists of 10 Government, and 5 employers' and 5 workers' representatives. The 10 Government representatives consist of 1 representative of the Central Government (in addition to the chairman), 1 each of the industrially more important provinces of Bengal, Bombay, and the United Provinces, 3 of the remaining eight provinces, and 3 of the Indian States, including 1 of the Chamber of Princes. The function of the Committee is to consider questions referred to it by the plenary Conference or the Central Government.

The plenary Conference, which meets at least once a year, consists of 22 Government representatives (excluding the chairman), and 11 employers' and 11 workers' representatives. The Government representatives consist of 3 representing the Central Government, including one for minor administrations, 11 representing the provinces, 6 the industrially more important Indian States, and 2 the Chamber of Princes for the other States. Of the employers' representatives, 8 are nominated by the Government in agreement with the two main employers' organisations—the Employers' Federation of India and the All-India Organisation of Industrial Employers—while the remaining 3 are reserved for the representation of other classes of employers. In the case of the workers' representatives, 8 are likewise nominated in agreement with the two main workers' organisations—the All-India Trade Union Congress and the Indian Federation of Labour—while the remaining 3 seats are reserved for the representation of other workers' interests. The functions of the organisation are advisory in character. All current proposals for labour legislation and the promotion of labour welfare, including, in particular, ways and means for the enhancement of industrial production, have been placed before it. Proposals for labour legislation and the conclusions of the International Labour Conference are usually referred to the Indian Labour Conference, as this organisation is now known, for observations. It has so far had to deal, for the most part, with wartime emergency measures and is still in the formative stages. In consequence of political changes now in process, the constitution of this organisation will doubtless need to be altered. It is a valuable experiment in tripartite collaboration, which, if persisted in, may be expected to result in the

fashioning of a suitable framework for the regulation of industrial life by the continuing process of compromise and adjustment based on precise information.

More recently, tripartite industrial committees to facilitate the regulation of conditions in particular industries have also been established or planned. Committees for the coal mining and cotton textiles industries held their first meetings early in 1947, and steps are being taken for the appointment of similar committees for plantations, the jute industry, and the engineering industry. These committees follow the pattern of the industrial committees which have been set up on an international basis in pursuance of a decision of the International Labour Conference taken at its Philadelphia Session in 1944, for the following industries: inland transport, coal mining, the iron and steel industry, the metal trades, the textile industry, building, civil engineering and public works, petroleum production and refining, and the chemical industry.

It is interesting to note in this connection that a tripartite committee system for the regulation of labour conditions was set up in Indonesia in 1940. The immediate purpose of the system was to meet the special difficulties resulting from the interruption of European trade and the consequent need in many cases to dismiss workers or reduce wages. In introducing the Ordinance in the Volksraad the Government looked, however, towards the post-war expansion of the system. The Ordinance (No. 569 of 1940) created a committee of employers, employees, and Government representatives. No employer was entitled to lay off staff or reduce general wage rates without previous consultation of the committee, and any person under notice was entitled to complain to the committee. Although provision was made for appeals to the Director of Justice from any decisions of the committee, no such appeals were lodged in the many hundreds of cases dealt with. At the same time the regular contracts established between employers and workers of all races had a very beneficial effect on labour relations.

In Ceylon, it has been the practice for conferences to be held by the Department of Labour with employers' and employees' associations when important questions of policy have to be determined.

It seems evident from the foregoing short survey of the evolution of trade union organisation and the existing machinery for the adjustment of industrial relations that it is urgently necessary in Asiatic countries to secure the development of free trade associations, while on the other hand it is no less essential to provide for safeguards in order that comparatively minor grievances of the workers may not assume serious proportions. The active assistance of the public authorities is obviously indispensable for this purpose, although it is important at the same time to ensure that adequate scope is provided for the growth of industrial autonomy within appropriate bounds. A general recognition of the need for action is contained in the report on labour problems adopted by the Asian Relations Conference, which made the following recommendations among others:

(*a*) Encouragement of tripartite collaboration in labour matters and economic questions generally;

(*b*) Formulation of a minimum standard of civil liberties to enable workers to organise;

(*c*) Extension of political rights to workers;

(*d*) Organisation of training centres for trade union officials;

(*e*) Co-operation with the World Federation of Trade Unions and the International Labour Organisation.

Many of the Asiatic countries concerned already possess sufficient experience to devise suitable measures. These measures will necessarily differ from one area to another according to local conditions. They seem likely to reveal, nevertheless, so many common features, on account of the similarity of the problems of modern industrial development in Asiatic countries that a detailed discussion of these problems at a regional conference can justifiably be expected to prove profitable. Accordingly, the Conference might desire to recommend to the Governing Body of the International Labour Office the placing of the question of industrial relations in some of its aspects on the agenda of the First Asiatic Regional Conference to be held in China in 1948.

CHAPTER VII

ENFORCEMENT OF LABOUR MEASURES

Scope of the Problem

The application of legal provisions can be secured either through the agency of the general police or through the bringing of suits at civil law by interested parties before the ordinary courts. Such methods have been tried in the case of labour legislation but they have failed to secure effective results. For its enforcement special arrangements have proved necessary. This is so because modern industrial organisation represents a highly specialised form of social organisation on functional lines. It is comparatively new and demands a long process of adaptation, except perhaps in the case of a highly urbanised population. Its structure is complicated, and on account of the advances made in the technical methods of production it is liable to rapid changes. Notwithstanding the large part played by technical processes in determining its structure, the proper adjustment of industrial relations and the devising of suitable machinery for the procurement and maintenance of a competent and stable labour force remain an essential problem of modern industry. The purpose of labour legislation is to meet this problem.

With the evolution of the organisation of the means of production, labour legislation touches almost every aspect of industry: the conditions of the engagement of the worker and the provision of facilities for his training and upgrading; the determination of his earnings in the light of price movements and of the conditions in the particular trades concerned; the provision of facilities for the promotion of his welfare and the welfare of his family; the adoption of measures for his protection in times of depression and unemployment or disability and distress; the regulation of hours of work and rest

periods; the provision of holidays with pay; the settlement of industrial disputes; the promotion of the trade union movement to facilitate collective bargaining, and, where such unions are not strong, the adoption of special measures to ensure that the worker's rights are not violated; the provision of safeguards against industrial risks; the protection of special categories of workers, such as women and children; and many others. Effective legislative or administrative regulation in respect of few of these matters is possible unless it is preceded by a careful study of the existing local conditions and measures are taken to ensure, in the first place, that the proposed provisions will be applicable if enacted, and secondly, that where they are applicable they will be strictly enforced.

The regulation of the age of admission to employment, for instance, cannot be effective unless schools are provided for the instruction of the children whose employment is prohibited. The provision of medical care for the worker likewise presupposes the existence of a sufficient number of hospitals and dispensaries.

It will be apparent from this brief review of the scope of labour legislation in general that there are few aspects of it at the present time in respect of which it is possible to introduce effective measures without the necessary statistical data. One of the first requirements for the enforcement of labour measures is, therefore, the establishment of a statistical service. Labour statistics have become in recent years a sufficiently specialised branch to make it necessary to have a statistical service attached to the local or national departments dealing with labour questions. The collection and classification of data pertaining to labour conditions call for such familiarity with them as only trained social workers may be expected to possess. Furthermore, the evolution of labour legislation in any country depends to no small extent on an understanding of what has been or is being done in the same or similar fields abroad, and in order to facilitate such comparison it is necessary to adopt as far as possible a uniform international system of computation of labour statistics.

The order of priority for the establishment of other services specialising in labour questions can only be determined in the light of the local conditions in each case. Most countries have

to deal with industrial relations. In the case of economically underdeveloped countries in particular, in which the workers are often unorganised, poor, illiterate, and ignorant of their rights, a public official appointed for the especial purpose of the protection of their interests serves as a valuable link between the workers and their employer. He can maintain continuous contact with them and deal with minor grievances as they arise before they assume the proportions of intractable disputes. Furthermore, with regard to the settlement of industrial disputes, there are the various processes of adjustment —conciliation or arbitration—for which provision needs to be made. Where social insurance legislation of one kind or another has been established, the administration of such legislation is usually secured by means of a specialised branch of the labour department. In recent years, many countries have established a special service for the protection of young persons, as a result of the increasing awareness that the attention bestowed on their welfare and training is amply rewarded in later years by the enhancement of national wealth and of the standard of citizenship generally. The nature and extent of the administrative organisation for the enforcement of labour laws—the question whether a special establishment should be set up for the purpose or whether these functions should be entrusted to the general public services as part of their duties—can only be determined with reference to the economic evolution of the country or territory concerned and, more particularly, its financial position.

Existing Machinery in Asiatic Countries

In this connection, a brief description of the existing machinery in some of the Asiatic countries for the administration of labour legislation may not be out of place.

In China, steady progress has been made in regard to the organisation of social services since the Ministry of Social Affairs was brought under the control of the Executive Yuan in 1940. This Ministry is the competent authority for the administration of labour legislation. During the war it included 4 agencies engaged in the enforcement, or the supervision of the enforcement, of labour laws: the Department of Social Welfare (to which the Bureau of Factory and Mining

Inspection and the Labour Welfare Section were attached), the Department of Labour Organisation and Training (with the Trade Unions Section attached to it and responsible for the administration of the Trade Unions Act and the Settlement of Labour Disputes Act), the Bureau of Labour (which dealt with the mobilisation of manpower for industry), and the Central Co-operatives Administration. The Bureau of Statistics in the Ministry of Social Affairs is mainly responsible for the collection and compilation of (factory) wage statistics. After the war, the activities of the Ministry of Social Affairs have been further expanded. The Bureau of Mining and Factory Inspection, which was attached to the Department of Social Welfare, became a separate department in September 1946. A preparatory committee was set up in February 1947 to plan the organisation of a Central Bureau of Social Insurance for the enforcement of social security measures. The Ministry of Economic Affairs is responsible for the enforcement of the Mines Act of 1936 in regard to such matters as safety in mines, accident prevention, and occupational diseases, and central and local authorities have been appointed for the purpose. During the war the Act could not be enforced; its amendment is now being prepared by the Ministry of Economic Affairs.

A department of social affairs has been set up in 17 provinces, and a section of social affairs, forming part of the department of civil affairs, in 4 provinces. Among the municipalities under the direct control of the Executive Yuan, 7 have already set up bureaux of social affairs, while among the other municipalities and hsien, 361 have set up sections of social affairs. In districts where such sections have not been opened, labour matters are dealt with by a related section or by the civil affairs section.

In the case of India, it may be observed at the outset that, under the Constitution which was set up by the Government of India Act, 1935, and which came into operation in 1937, there is a demarcation between the functions of the provincial and Central Governments regarding the enactment of labour legislation as well as the administration of the laws and regulations. Briefly, the regulation of labour and safety in mines and oilfields is a Central (or federal) subject. But in respect of other labour subjects, as, for instance, factory legislation, while both the Central (or federal) and provincial legislatures have powers to make laws, the administration of the laws is virtually the

undivided responsibility of the provinces. The administration is as a rule carried on by the provincial Government secretariats. The Central and provincial Governments have their own administrative machinery for the enforcement of labour laws and promotion of labour welfare. The development and working of this machinery in the more important provinces and some recent developments at the Centre are briefly described below.

In 1941, the Controller of Emigrant Labour, appointed by the Government of India for the administration of the Tea Districts Emigrant Labour Act, 1932, was also made Commissioner of Labour by the Assam Government, with the following functions: the settlement of industrial disputes, the collection of labour statistics and intelligence, and the organisation of labour welfare work, as well as the submission of proposals for labour legislation. The Labour Commissioner also acts as the Registrar of Trade Unions under the Indian Trade Unions Act, but the Factories Act is administered by the Chief Inspector of Factories and the Workmen's Compensation Act by the district deputy commissioners or senior administrative officers.

A full-time Labour Commissioner was appointed in Bengal in 1938. Most of his time is taken up with conciliation work. He is also entrusted with the labour welfare activities carried on under the direct administrative control of the Government, and, for this purpose, had established by 1944-45 over 40 labour welfare centres throughout the province. He is, in addition, the Registrar of Trade Unions, but is not directly concerned with the administration of the Factories Act or the Workmen's Compensation Act.

The Government of Bihar created the post of Labour Commissioner in 1941, but it was combined with that of Director of Industries. The most important function of the Labour Commissioner at that time was the maintenance of industrial peace by conducting enquiries into complaints and undertaking mediation and conciliation in industrial disputes. Since 1944, however, the Labour Commissioner has been a full-time officer and has been entrusted with the administration of the legislation concerning factories, payment of wages, boiler inspection, workmen's compensation, and trade unions.

The Bombay Labour Office was set up by the provincial Government in 1921, for such purposes as the collection of labour statistics and intelligence, settlement of industrial disputes, and

submission of proposals for labour legislation. In 1933, the designation of the head of the Office was changed from "Director" to "Commissioner of Labour", and he was also given administrative control of the Offices of the Chief Inspector of Factories and the Chief Inspector of Boilers and Smoke Nuisances. He is, in addition, *ex officio* Commissioner for Workmen's Compensation, Registrar of Trade Unions under the Indian Trade Unions Act, and in charge of certain duties concerning the administration of the Indian Trade Disputes Act and the Bombay Trade Disputes Conciliation Act. The Labour Commissioner is thus the principal officer for the administration of all the more important labour laws and regulations in the province. By a resolution of 24 February 1947, the offices of the Commissioner of Labour, the Labour Officer, and the Director of Labour Welfare were reorganised under three directorates: a directorate of labour administration, for matters relating to trade unions and trade disputes and the adminstration of labour laws; a directorate of labour information, for statistics, socio-economic enquiries, editing the monthly *Labour Gazette*, and dealing with I.L.O. questionnaires; and a directorate of labour welfare, which besides dealing with all labour welfare activities, is also in charge of the office of the Labour Officer. The Deputy Secretary to the Government of Bombay in the Political and Services Department is *ex officio* Commissioner of Labour and Chief Conciliator, and responsible for supervising and co-ordinating the work of the three directorates.

In the Central Provinces and Berar, a Labour Department was set up under a Labour Commissioner in 1942. After a year's experience of the working of the Department, the provincial Government decided that, in all labour disputes, the maintenance of law and order would be primarily the concern of the district magistrates. Conciliation was to be attempted by the labour office attached to the Labour Commissioner only in the case of disputes within the limits of the law in the larger industries in the province, and illegal strikes and disputes affecting non-industrial labour outside the provincial capital were to be left to be dealt with by the district executive officers.

The Officer of the Labour Commissioner in Madras was created as early as February 1920, but it was then mainly concerned with the uplift of the "depressed classes". After having been held in abeyance for a time, it was revived in 1934 with the

addition of the duties of the Chief Inspector of Factories. The Commissioner has also to keep the Government informed of industrial disputes and to tender his good offices for their settlement. At present, the Commissioner of Labour is also Registrar of Trade Unions, Commissioner for Workmen's Compensation, the competent authority for the administration of the Payment of Wages Act, and Controller of Emigration from the Madras Ports.

The Director of Industries in the Punjab deals with all labour questions through the Chief Inspector of Factories and the Chief Inspector of Shops and Commercial Establishments.

A Commissioner of Labour was first appointed in Sind in 1936; he also acts as the Registrar of Trade Unions, Conciliation Officer, Employment Exchange Officer, Chief Inspector of Shops, and Secretary to the Advisory Board for Labour. The Factories Act, the Payment of Wages Act, and the Maternity Benefit Act are, however, administered by the Chief Inspector of Factories, while the Chief Judge of the Small Causes Court and the district sub-judges are responsible for the working of the Workmen's Compensation Act.

A special labour officer for the settlement of disputes and promotion of labour welfare was appointed in the United Provinces in 1937, and a whole-time Labour Commissioner in 1940. These two officials act as conciliation officers under the Trade Disputes Act in respect of all industries, businesses and undertakings in the province, other than those carried on by or under the authority of the Central Government or by a railway company. Several welfare centres have been established in the province.

The Department of Labour of the Government of India has also been strengthened recently in several directions. In the first place, machinery has been established to deal with industrial relations in industries and undertakings directly controlled by the Central Government: all industrial establishments owned or controlled by the Government of India; federal railways; mines and oilfields; and major ports. The organisation consists of a Chief Labour Commissioner (central); 3 regional labour commissioners (central) in each of the 3 zones into which India, excluding the Indian States, is divided for this purpose; 8 conciliation officers and 24 inspectors of railway labour located at various centres throughout India; and a Central Inspec-

tor of Industrial Canteens. The Chief Commissioner and the officers under him are in charge of conciliation; welfare (excluding welfare in coal mines, for which a separate organisation exists under the Coal Mines Welfare Commissioner); and the administration of labour laws to the extent to which such administration is a central responsibility and is not entrusted to a separate organisation. Their main functions include assistance in the information and maintenance of machinery to deal with industrial matters on a voluntary basis; prevention and settlement of industrial disputes; collection of information regarding wage rates and conditions of work; continuous study of industrial relations; and examination of welfare measures and advising of employers and the Government in connection therewith. The main function of the Central Inspector of Industrial Canteens is to inspect canteens in undertakings under the control of the Central Government and advise on the establishment of new ones.

Further, to deal with the problem of resettlement and reemployment in civil life of demobilised members of the defence services and discharged war workers, an integrated resettlement organisation has been set up. To advise the Central and provincial Governments on the improvement of working conditions in factories, a new organisation has been set up under the Chief Adviser, Factories. Its main function is to give technical advice on the design and lay-out of factories, standards of housing, and the most suitable working conditions to assure efficiency of production and the welfare of the workers; and to make arrangements for the training of managements and workers in safety methods and welfare methods adopted in industrially advanced countries.

A Director for Labour Conference Work has also been appointed in the Department of Labour, Government of India, to attend to all work pertaining to the Indian (tripartite) Labour Conference and its Standing Committee, and the International Labour Organisation, including the International Labour Conference.

Lastly, in October 1946, a Labour Bureau was set up, which consists of a Director, a Statistician, a Labour Intelligence Officer, a Chief Research Officer and other research staff. The Bureau is responsible for collecting labour statistics; maintaining the cost-of-living index numbers compiled under the Govern-

ment of India's scheme for their preparation on uniform lines; keeping up to date the factual data relating to working conditions collected by the Labour Investigation Committee; conducting research into specific problems with a view to furnishing data for the formulation of policy; and editing the monthly *Indian Labour Gazette,* a Labour Code of various legislative enactments and the statutory rules made thereunder, and a Labour Year-Book.

It may be added that among the Indian States, Hyderabad and Mysore have Labour Commissioners; in Baroda, Indore and Travancore, the Director of Industries is also in charge of labour; and the Government of Gwalior State has appointed a Senior Labour Officer to deal with labour questions.

It should be pointed out, however, that since this Report was prepared, it has been decided that two separate States should be established in India—to be known as India and Pakistan. A Constituent Assembly to determine the Constitution of India has been considering the allocation of functions in respect of labour legislation and the administration of such labour legislation, as between the Central or federal Government and the Governments of the different provinces or States which constitute India, but its deliberations have not yet been concluded. Another Constituent Assembly, for Pakistan, will consider the constitutional arrangements in respect of the area to be included in it.

While the Government of Burma was in India during the war years, it made plans for the establishment of a Labour Department on its return. These plans have now been implemented by the appointment of a Director of Labour and other staff, whose duty it is to administer labour laws and regulations, to make suggestions for the revision and extension of existing labour legislation, to set up a free Government employment service, and to collect labour statistics. The Director of Labour is assisted by a staff headed by the Chief Inspector of Factories, who is responsible for the administration of the Factories and Payment of Wages Acts, and by the Labour Commissioner, who is responsible for that of the Trade Unions and Trade Disputes Acts.

The Commissioner of Labour in Ceylon, who has an office at Colombo and agents at important centres of population, is responsible for the administration of labour laws and regula-

tions. An important part of his responsibilities consists in the enforcement of legislation for the protection of the large number of Indian immigrant workers employed on the tea and rubber plantations on the island. For this purpose, a system of close consultation and collaboration with the Agent of the Government of India in Ceylon has been gradually evolved which has proved most useful.

For the enforcement of labour measures, the Department of Labour is staffed with a Commissioner; a Deputy Commissioner, who deals with questions of staff, legislation, international labour Conventions, statistics, etc.; 2 additional deputy commissioners and 7 assistant commissioners, who deal with industrial disputes, conciliation, wages boards, social services, repatriation of immigrant workers, workmen's compensation, enforcement of the Shops Ordinance, employment offices, unemployment, and resettlement of demobilised personnel. In addition, a Trade Union Adviser is attached to the Department to advise the Minister for Labour, Industry and Commerce on trade union matters; a Labour Medical Officer deals with working conditions and the health of workers; and there are 6 district administrative officers, and 11 sub-offices in charge of inspectors.

Labour inspection services have been in existence in Indo-China since 1927. An Immigration Service, acting in conjunction with the Labour Inspectorate, was responsible for supervising the recruitment of contract labour until the recent suspension of these operations. The employment offices are also subordinate to the Labour Inspectorate. In addition, Ministries of Labour have recently been set up by the Governments of the various territories of the country.

In the French Establishments in India, the Labour Inspectorate includes among its functions that of conciliation in collective labour disputes and of providing assistance in setting up arbitration committees at the request of the parties to a dispute. In cases where an arbitration committee fails to settle the dispute, however, the Governor appoints a referee. The registration of trade unions is also entrusted to the Governor (in Pondichery) or other administrative authority.

There was an effective Labour Inspectorate in Indonesia before the war, particularly in respect of conditions in Sumatra and other parts of the Outer Provinces. The head of the Labour Office was invested with many powers and duties. For example,

under legislation enacted in 1941, it rested with him to determine, subject to general limitations, the exemptions that should be permitted with regard to the prohibition of the employment of women at night.

The administration of labour legislation in Malaya is entrusted to a Department of Labour under the Commissioner for Labour. Until 1907, there had been separate Indian Immigration Departments for the former Straits Settlements and the former Federated Malay States. They were amalgamated in 1907, and in 1912 this Department was replaced by a "Department of the Controller of Labour", whose competence was extended in January 1925 to the former Unfederated Malay States.

The authority of the Commissioner for Labour now extends to the whole of the Malayan Union, so that a uniform policy can be pursued in labour questions, in particular, in respect of wages, housing, sanitary equipment, hospitals and medical care, water supply, contracts of employment, and conditions of employment. While the provisions of labour laws and regulations apply equally to Chinese and Indian immigrant workers, the differences between the two groups have made it necessary to separate the administration of these provisions and there is a separate Chinese Protectorate for Chinese labour. The Commissioner for Labour is *ex officio* Chairman of the Indian Immigration Committee and he administers the Indian Immigration Fund. There is close collaboration with the Agent of the Government of India, who has the right to inspect any place where Indians are employed and to notify the Commissioner of any defects he may observe. It may be observed that elsewhere, notably in the Union of South Africa, a share in the protection of immigrant labour is similarly granted to officers of outside administrations. The extent, however, to which this is granted in both Ceylon and Malaya is exceptional and provides a noteworthy contribution to regional co-operation in regard to labour policies.

Before the war, there were two departments handling labour questions in Singapore: the Chinese Secretariat or Chinese Protectorate, dealing with Chinese and Japanese labour; and the Labour Department dealing with Indian labour. Both these departments inspected factories and other places of employ-

ment. Under the British Military Administration, the two departments were combined into one.

In New Caledonia, the Labour Inspectorate deals only with European workers; indigenous workers are under the protection of the Service for Indigenous Affairs, and immigrant workers—who form the bulk of workers in paid employment—under that of the Immigration Service.

A Department of Labor was set up in the Philippines by an Act of 8 December 1943, but was merged with the Departments of National Defense and of Public Works and Communications during the war. On 27 February 1945, the Department of Labor was re-established as a separate department, and began to function again on 10 July 1945. A Bureau of Labor under the administrative supervision of the Department was established by an Act of 15 October 1945. The Bureau of Immigration, which was formally reorganised on 24 July 1945, was placed under the direct supervision of the Department. The Bureau of Labor, to which all but the purely administrative functions of the Department were transferred at the end of 1945, comprises 7 divisions, dealing respectively with labour inspection (including a section for labour disputes), medical inspection, employment and unemployment relief, workmen's compensation, wage claims, legal advice for indigent persons, and farm loans. It is also responsible for the registration of trade unions.

Labour Inspection

By far the most important aspect of the enforcement of labour measures is, however, labour inspection, and it is therefore proposed to consider it here at some length.

Modern industry as a means of production is now sufficiently well established to enable general agreement to be reached as to the nature of the problem to be faced and the principles and methods to be followed if a sound system of labour inspection is to be set up. The most authoritative exposition of those methods and principles is to be found in the text of the Recommendation concerning the general principles for the organisation of systems of inspection to secure the enforcement of the laws and regulations for the protection of the worker, unanimously adopted by the International Labour Conference

in 1923. The main principles and methods laid down may be summarised as follows:

That the main function of a labour inspection service is to secure the actual inspection, at regular and frequent intervals, of workplaces in order to secure the enforcement of the laws and regulations relating to the conditions of work and the protection of the workers while engaged in their work; and that any other duties that may be confided to the inspection service should not be such as to interfere in any way with the fulfilment of this main function (Paragraphs 1-2).

That duly accredited inspectors should be empowered by law to visit and inspect workplaces at any hour of the day or night (Paragraph 3 (*a*)).

That duly accredited inspectors should be empowered by law to question, without witnesses, the staff belonging to the establishment, and, for the purpose of carrying out their duties, to apply for information to any other persons whose evidence they may consider necessary, and to require to be shown any registers or documents which the laws regulating conditions of work require to be kept (Paragraph 3 (*b*)).

That, once an inspector has noted a breach of the law in a particular undertaking, a procedure should be available by means of which the inspection service can secure the infliction of appropriate penalties (Paragraph 5).

That the inspection service should have power in appropriate cases to secure immediate action with a view to the carrying out of such alterations to the installation or plant of a particular undertaking as may be necessary for ensuring full and exact observance of the laws and regulations relating to the health and safety of the workers (Paragraph 6).

That inspection should be increasingly devoted towards securing the adoption of the most suitable methods for preventing accidents, diseases, and undue fatigue; that to this end the authorities should employ, alongside the ordinary labour inspectors, properly qualified experts in regard to medical, engineering, electrical and other such technical matters; and that it is one of the most essential duties of a labour inspection service to inform and advise the management of undertakings with regard to the provisions of the law, particularly in regard to health and safety, and the most appropriate means of complying with those provisions (Paragraphs 7 and 11).

That, in order that the inspectors may be as closely as possible in touch with the establishments which they inspect and with the employers and workers, and in order that as much as possible of the inspectors' time may be devoted to the actual visiting of establishments, they should be localised in the industrial districts (Paragraph 8).

That, with a view to securing unity and efficiency of inspection, the district inspectors should be placed under the general supervision of an inspector of high qualifications and experience; and that the ins-

pectorate as a whole should be placed under the direct and exclusive control of a State authority and should not be under the control of or in any way responsible to any local authority in connection with the execution of any of their duties (Paragraphs 9-10).

That the inspectorate should include women as well as men inspectors, and that the women inspectors, should, in general, have the same powers and duties and exercise the same authority as the men inspectors, subject to their having had the necessary training and experience, and should have equal opportunity of promotion to the higher ranks (Paragraph 12).

That it is essential that the inspectors should possess a high standard of technical training and experience, should be persons of good general education, and by their character and abilities be capable of acquiring the confidence of all parties (Paragraph 13).

That the inspectorate should be on a permanent basis and should be independent of changes of Government; that the inspectors should be given such a status and standard of remuneration as to secure their freedom from any improper external influences, and that they should be prohibited from having any interest in any establishment which is placed under their inspection (Paragraph 14).

That, as a general rule, the visits of the inspectors should be made without any previous notice to the employer (Paragraph 17 (*b*)).

That it is desirable that, as far as possible, every establishment should be visited by an inspector for the purposes of general inspection not less frequently than once a year, in addition to any special visits that may be made for the purpose of investigating a particular complaint or for other purposes; and that establishments of which the management is unsatisfactory from the point of view of the protection of the health and safety of the workers, and establishments in which dangerous or unhealthy processes are carried on, should be visited much more frequently. It is also desirable that, when any serious irregularity has been discovered in an establishment, it should be revisited by the inspector at an early date with a view to ascertaining whether the irregularity has been remedied (Paragraph 18).

That there should be close co-operation between the inspection service and the employers and workers (and especially the organisations of employers and workers); that the workers and their representatives should be afforded every facility for communicating freely with the inspectors as to any defect or breach of the law in the establishment in which they are employed; that every such complaint should, as far as possible, be investigated promptly by the inspector; that the complaint should be treated as absolutely confidential by the inspector, and that no intimation should be given to the employer or his officials that the visit made for the purpose of investigation is being made in consequence of the receipt of a complaint (Paragraphs 19-20).

That inspectors should regularly submit to their central authority reports framed on uniform lines dealing with their work and its results, and that the central authority should publish an annual report

as soon as possible and in any case within one year after the end of the year to which it relates, containing a general survey of the information furnished by the inspectors, including appropriate statistics (Paragraphs 21-23).

The Social Policy in Dependent Territories Recommendation, 1944, also specifically sets forth the functions of labour inspectors, and this statement is particularly applicable where intensive inspection may be immediately impracticable. The Recommendation lays down that the labour inspectors should "be required to inspect conditions of employment at frequent intervals", and should have "no direct or indirect interest in undertakings subject to their supervision"; and that workers and their representatives should "be afforded every facility for communicating freely with the inspectors". Important practical considerations were allowed for in a final provision to the effect that the competent authority might, by regulations published beforehand (this phrase was an addendum made in the 1945 Recommendation), exclude "undertakings or vessels in respect of which, from their nature and size, adequate supervision may be impracticable". The Conference considered that in principle every undertaking employing labour should be liable to inspection and that therefore internationally no type of specific exemption should be provided for. This principle of general inspection was established, but pending its extension to all undertakings, it was thought that it would be best to apply it to the undertakings which could be effectively covered.

In this connection, an experiment which might have proved of considerable importance was initiated in Indonesia in 1940 by the creation of a Committee for Labour Problems. The Committee, tripartite in nature, had authority to sanction certain departures from the strict letter of labour law and contracts necessitated by the emergency situation. Its operations, however, were promising enough to induce various interests to advocate that it should be made a permanent feature in industrial relations.

The organisation and maintenance of an efficient labour inspection service in accordance with these methods and principles represent a very considerable undertaking, and in the case of Asiatic countries the difficulties of the task are intensified by special problems arising from local conditions. Some of the more important of these problems may be summarily indicated:

vastness of territory; inadequacy of communications; federal organisation, with division of authority in respect of labour questions between the federal or quasi-federal and provincial or local Governments; political tension; widespread poverty and illiteracy; lack of social homogeneity; backwardness in respect of industrialisation, and of the formation of adequate cadres of industrial and commercial personnel; predominance of small undertakings, widely scattered; lack of facilities for the kind of specialised higher education that is necessary for the training of qualified candidates for posts in a labour inspection service (especially women); absence of a large enough civil service with adequate remuneration; absence of strong and well-organised trade associations of employers and workers; and frequent imitation of the labour legislation of the industrially more advanced countries, instead of a gradual introduction and extension of such legislation to suit local conditions.

From a comparative study of the summary statement of the general principles and methods laid down in 1923 and of the special problems enumerated above, the practical difficulties of the organisation of efficient labour inspection services in Asiatic countries will be obvious. Every one of the general principles laid down in the Recommendation will encounter serious obstacles in its application on account of the special local problems.

Duties of the Labour Inspector

These difficulties can be surmounted only by the gradual improvement of the existing standards of inspection and the simultaneous extension of its scope, which it is to be hoped will be facilitated by the plans for social and economic development that are being adopted in many of the Asiatic countries as a result of the war. The functions of a labour inspector should, however, be clearly understood. Labour inspection in its modern form dates from the introduction of "factory inspection" in Great Britain in 1833. In the preceding quarter of a century, various attempts had been made in that country to regulate the employment of children in the cotton textile factories. The laws enacted had remained a dead letter because no satisfactory method had been devised for supervising their application. Accordingly, the Act of 1833 contained what at the time must have appeared a great innovation: it pro-

vided for the appointment of specially qualified officials, of high social standing and at a relatively munificent rate of remuneration, to carry out frequent and regular visits to the factories in order to secure compliance with the Act's provisions. In Great Britain, the "factory inspectors" were at first given the status of justices of the peace, and empowered to inflict penalties in respect of the contraventions that they might discover. Experience proved, however, that it was advisable to separate the judicial function from that of actual inspection, and the inspectors' judicial powers were withdrawn. Since that time the scope of labour legislation has been extended so as to cover factories properly so called as well as other places of work, but the functions of the labour inspectorate, in Great Britain and the English-speaking countries generally, have remained mainly the same: to visit workplaces and inspect them in order to make sure that the provisions of labour laws and regulations are being effectively observed.

One of Great Britain's most distinguished Chief Inspectors of Factories made the following statement concerning the aims and purposes of the British factory inspectorate in evidence given to a Royal Commission of Inquiry some seventy years ago:

> In the inspection of factories it has been my view always that we are not acting as policemen, that it is our object to be the friend of the manufacturer as much as the friend of the *employé* and the friend of the parent, and that in enforcing this Factory Act and Workshops Act we do not enforce it as a policeman would check an offence which he is told to detect. We have endeavoured not to enforce the law, if I may use such an expression, but it has been my endeavour since I have had anything to do with the factory administration that we should simply be the advisers of all classes, that we should explain the law, and that we should do everything we possibly could to induce them to observe the law, and that a prosecution should be the very last thing that we should take up.[1]

That the same conception continues to actuate the British factory inspector of today is evident from the annual report of the Chief Inspector of Factories for 1942, in which it is observed: "The main functions of the inspector today are instruction (on matters within the law) and advice (on matters outside the law), rather than compulsion."

A similar approach characterises the labour inspection services

[1] Factory and Workshops Act Commission (1876), Report, Vol. II: *Minutes of Evidence*, Question 495.

of other industrially advanced countries. When a factory inspectorate was created in Germany in 1878, the instructions issued by the Federal Council laid down that—

> ... the officials to be appointed will not replace the regular police authorities in the sphere of action assigned to them, but will attempt... by means of supervision, advice and mediation proffered in a spirit of goodwill, not only to ensure that the workers enjoy the benefits of legal protection, but also tactfully to assist the employers to comply with the requirements of the law as regard the equipment and working of their undertakings.

According to information supplied by the United States Federal Department of Labor to the International Labour Office, the primary function of the labour inspectorate in the various States is—

> ... to secure compliance with the labour laws through education and co-operation wherever possible. To be effective, an inspector must be able to explain to employers and workers the purpose and method of application of labour laws and regulations. He can make clear the part his department plays in enforcing labour laws and he can point out methods by which the employers and workers can co-operate in bringing about better enforcement. An inspector who takes advantage of his position to render such educational service is far more effective than one who operates solely as an enforcing officer of the law.

In what follows, the experience of the United States is freely drawn upon, for notwithstanding the considerable differences between that country and Asia as regards economic conditions, the vastness of territory is a common feature and the constitutional evolution of most Asiatic countries may tend to be on federal lines. The general position in the United States in the various State inspection services has been outlined in a communication to the International Labour Office as follows:

> The chief inspection duties of an inspector who is responsible for the enforcement of labour laws relating to hours of work, minimum wages, child labour, and industrial home work are: (1) to secure and develop the co-operation of employers and workers and aid them in carrying out their responsibilities under the law; (2) to examine time cards, pay rolls, and such other records as may be necessary to determine compliance; (3) to compute wages due; (4) to interview employees both at work and at home to secure necessary information; (5) to advise employers with respect to the provisions of the law and violations found; (6) to supervise the payment of unpaid back wages; (7) to prepare accurate detailed reports of inspections; (8) to obtain evidence of violations and, when necessary, to appear in court to

testify at prosecutions; (9) in disputed cases to hold informal hearings at which the employer and employee are present, for the purpose of securing the facts necessary for the adjustment of wage claims or for the establishment of hours worked; (10) to work and co-operate with other agencies involved in the enforcement of any of these laws.

The scope of inspection duties of the inspector who is engaged in the enforcement of the State safety and health laws and regulations includes: (1) promoting the active interest of employers and workers in the establishment of safety and health programmes and in the establishment of safe working practices; (2) checking compliance with the safety and health laws as consultant and adviser on matters of industrial safety and health to industry and to workers' organisations; (3) conducting accident investigations and preparing accurate reports of investigations, and making recommendations for preventing the occurrence of accidents and occupational disease.

Inspectors are only given duties which relate to their inspection work. The inspection of establishments to determine compliance with the labour laws is a full-time job in itself. If inspectors are given additional functions such as the collection of statistics, the coverage and effectiveness of their inspection work is correspondingly reduced.

In many countries, more particularly those in which industrialisation is still in its early stages and the expense of increasing the number of specialised services in the labour department is great, the attribution of conciliation and arbitration duties to labour inspectors is not, however, unusual. Experience has shown that such a combination of diverse functions involves serious disadvantages, apart from the fact that the additional duties make it harder for the inspectors to find time for carrying out visits.

Where an inspector has to act simultaneously as an industrial conciliator, he may be tempted to carry out his enforcement duties with some laxity in order to win the employers' goodwill; or he may find that, where he has sided with one of the parties to a dispute, the other party will tend to withhold its confidence and collaboration from him in his capacity as inspector. It is no doubt for these reasons that many countries have preferred to appoint special officials, independent of the inspection services, to perform duties in respect of industrial conciliation.[1]

[1] International Labour Conference (26th Session, 1940), *The Organisation of Labour Inspection in Industrial and Commercial Undertakings* (Geneva, 1939), p. 11. (The 26th Session of the Conference was not in fact held in 1940. It met in Philadelphia in 1944, with a different agenda.)

It may be noted in this connection that in the resolution on labour inspection adopted by the 3rd Conference of American States Members of the International Labour Organisation, held in Mexico City in April 1946, it was recommended, in particular, that any necessary duties entrusted to the inspectors should not be of such a nature as to interfere with the efficient carrying out of the necessary number of inspection visits.[1] In conclusion, it may be useful to recall the precise terms of the provisions of the Labour Inspection Recommendation, 1923, on this particular point:

> That in so far as it may be considered possible and desirable, either for reasons of convenience in the matter of supervision or by reason of the experience which they gain in carrying out their principal duties, to assign to inspectors additional duties which may vary according to the conceptions, traditions and customs prevailing in the different countries, such duties may be assigned, provided:
>
> (*a*) That they do not in any way interfere with the inspectors' principal duties;
>
> (*b*) That in themselves they are closely related to the primary object of ensuring the protection of the health and safety of the workers;
>
> (*c*) That they shall not prejudice in any way the authority and impartiality which are necessary to inspectors in their relations with employers and workers (Paragraph 2).

The functions of a labour inspection service are thus seen to be of great importance. It is therefore necessary to take steps calculated to ensure that the service as a whole will possess the greatest possible degree of administrative independence and authority, subject of course, to the overriding authority of the governmental department (usually the Ministry of Social Affairs or the Labour Department) to which the inspectorate is attached. The Labour Inspection Recommendation, 1923, urges the desirability of having labour inspectors posted individually in the various industrial districts, with one (or more) superintending inspector (chief inspector) to supervise and co-ordinate their activities, the superintending inspector or inspectors being in turn directly responsible to an appropriate authority of the central Government.

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[1] Paragraph 4 of the Resolution expressly states that inspectors should be prohibited by law from performing arbitration and conciliation functions. For an account of the Mexico Conference, see *International Labour Review*, Vol. LIII, Nos. 5-6, May-June 1946, pp. 317-339.

Problems of Administrative Organisation

Administrative Unity and Local Autonomy.

The nature of the constitution of the country concerned profoundly affects the unification of the standards of labour inspection and the proper co-ordination of the administrative arrangements. In federal countries in which labour inspection lies within the competence of the individual States or provinces, the standards of strictness of enforcement vary widely over the national territory as a whole. The methods by which at least a partial solution of the problem of securing uniformity under such circumstances may be solved must necessarily differ from country to country according to the provisions of the federal constitution, and to local conditions and traditions. In the last few years, some particularly interesting steps have been taken in the United States in this respect. Until very recently, there was no federal labour legislation, with the exception of the Walsh-Healey Act concerning the conditions to be observed by undertakings executing public contracts. With the passage in 1938 of the Fair Labor Standards Act, regulating hours of work, minimum wages, and the employment of juvenile labour in undertakings engaged in inter-State commerce, the situation was radically changed. A federal inspectorate now exists for the purpose of enforcing the Walsh-Healey and Fair Labor Standards Acts. These inspectors, numbering approximately 500, operate in 13 different regions, each under a regional director, and the regional directors in turn are responsible to a single administrator at headquarters. However, co-operative arrangements have been made with the labour departments of a few of the individual States which are able to offer satisfactory guarantees of efficient inspection, providing for the delegation of responsibility for enforcement of federal labour legislation to the State labour departments in question and their respective labour inspectorates. At the same time the Federal Department of Labor has been working in recent years to secure greater uniformity at a high level of efficiency in the administration and enforcement of labour law throughout the territory of the Union. Regular meetings of State labour officials are convened at the federal capital, and a model Inspection Manual (*Suggested Procedure for the Enforcement of Safety and Health, Minimum Wages, Child*

Labor, Industrial Home Work, Wage Payment and Wage Collection Laws) was published in 1938. The Federal Department of Labor has also issued pamphlets on *Factory Inspection Standards and Qualifications for Factory Inspectors* and *Qualifications for General Labor-Law Inspectors.*

Diversity of Functions.

As industrial development advances, the character of the labour legislation to be enforced becomes more diverse and more complex. So far as social insurance legislation is concerned, most countries have found it necessary, on account of the nature of the problems to be dealt with, to institute special arrangements for its administration. It is not usual for the ordinary labour inspection services to be made responsible for the application of such legislation. The main technical subjects with which modern labour law deals may be roughly grouped as follows: (*a*) industrial safety; (*b*) industrial health; (*c*) general labour protection (hours of work, rest periods, holidays, the truck system, the protection of women workers, the protection of juveniles); and (*d*) statutory rates of wages.

To be thoroughly competent to inspect in respect of all these four subjects, a labour inspector would have to be a trained engineer, chemist, physician and surgeon, and accountant, in addition to possessing outstanding qualities of tact, personal authority, and general education. In practice, of course, individuals possessing such a multiplicity of qualifications cannot be found, and a certain subdivision of inspecting functions has been inevitable, both as between individual inspectors or groups of inspectors inside a single labour inspectorate and as between different Government services or departments. In some cases, indeed, inspection duties in respect of industrial health and safety have devolved upon inspectors employed by recognised non-governmental bodies, such as social insurance funds and employers' mutual insurance societies. Boiler inspection is in like manner frequently referred to competent private bodies.

In European countries, the tendency has, on the whole, been to make the individual inspector as omni-competent as possible, with a view to ensuring unity of administration and enforcement, and to reducing the number of separate inspections to

which individual undertakings must be subjected.[1] Thus, in Great Britain, the "factory inspector" (with a number of full-time specialists available for consultation where necessary) is responsible for inspecting undertakings in regard to safety, health, and general labour legislation. As a result, there has been an increasing tendency on the part of the inspectorate to insist on technical qualifications in new recruits to the service. (This tendency was criticised in 1930 by a departmental committee which, in a report on the organisation and staffing of the Factory Inspectorate, declared "we are satisfied .... that the technical knowledge required for the ordinary work of an inspector does not go beyond what any candidate—man or woman—who has an alert and practical mind, can acquire after he or she has joined the Department".) On the other hand, inspection in regard to payment of the wage rates fixed for various industries by the trade boards is carried out by an entirely separate inspectorate.

In the United States, on the contrary, an attempt has been made in recent years to set up separate services for safety and health inspection on the one hand, and general labour law inspection, including inspection in regard to wages, on the other. As Mr. Verne A. Zimmer, Director of the Division of Labor Standards, Federal Department of Labor, has pointed out:

> The practicability of having one inspector make inspections for all types of labour laws has long been a subject for discussion. In some States with small appropriations and limited legislation it has been necessary to combine inspection for safety and health with inspection for general labour laws—hours of work, minimum wages, child labour, day of rest, and similar legislation. With the increasing scope of labour legislation and the greater emphasis on administration has come a tendency to separate inspection for the two types of legislation and to require different qualifications for each type of inspector. For the safety and the health inspector, it has been found that qualifications of an engineering nature are necessary... Qualifications of a different sort are equally essential for the man or woman who inspects for wages, hours, and child labour.[2]

In order to illustrate the way in which inspection duties may be divided between safety and health inspectors on the one

[1] This idea of the technical omni-competence of the individual inspector appears to be implicit in the text of the Labour Inspection Recommendation, 1923; for instance, see Paragraph 13.

[2] U.S. DEPARTMENT OF LABOR, DIVISION OF LABOR STANDARDS: *Qualifications for General Labor-Law Inspectors*, Bulletin No. 38, p. iii.

hand, and general labour-law inspectors on the other, it may be useful to quote the manner in which the duties of the two categories of inspectors are respectively defined in the two pamphlets published by the United States Department of Labor on qualifications for labour inspectors, to which allusion has already been made. The duties of a "factory" (safety and health) inspector are defined as follows:

> The duties are, under general supervision, to make inspections of places of employment with respect to compliance with the provisions of State labour laws and industrial codes, rules, and regulations dealing with safety and health; prepare accurate, detailed reports of inspections; and, when necessary, obtain evidence of violations and appear in court to testify at prosecutions. Under supervision to promote the active interest of employers and workers in the establishment of safety and health programmes planned to provide safe and healthful working conditions, and the establishment of safe working practices; to act as consultant and adviser on matters of industrial safety and health to industry and to address employers' and workers' organisations; to conduct accident investigations, interview witnesses, prepare accurate reports of investigations, and make recommendations for preventing the occurrence of accidents and occupational disease.[1]

On the other hand, the following are the duties of the general labour-law inspector:

> Under general supervision, to make inspections of places of employment as authorised by law to see that the provisions of the State labour laws and regulations or orders relating to such subjects as hours of work, minimum wages, child labour, industrial home work, wage payment and wage collection, and regulation of private employment agencies are being complied with; to secure and develop the co-operation of employers and workers, and to aid them in carrying out their responsibilities under the law; to examine time cards, pay rolls and such other records as may be necessary to determine compliance; to compute wages due; to interview employees both at work and at home to secure necessary information; to advise employers with respect to the provisions of the law and violations found; to supervise the payment of unpaid back wages; to prepare accurate, detailed reports of inspections; to obtain evidence of violations and, when necessary, appear in court to testify at prosecutions; to work and co-operate with other agencies involved in the enforcement of any of these laws; to secure wage, hour, child labour, or other pertinent data in special investigations, as required; in disputed cases,

[1] U.S. DEPARTMENT OF LABOR: *Factory Inspection Standards and Qualifications for Factory Inspectors*, prepared by Advisory Committee on Safety and Health, Division of Labor Standards (Washington).

to hold informal hearings at which the employer and employee are present, for the purpose of securing the facts necessary for the adjustment of wage claims or for the establishment of hours worked.[1]

In addition to this main division of functions as between the safety and health, or "factory", inspector on the one hand, and the general labour-law inspector on the other, a number of further subdivisions are possible. In many places special inspection services have been set up to enforce legislation for the protection of women and juvenile workers or of juvenile workers alone. In some instances there is a special inspectorate for the inspection of commercial undertakings; and it is hardly necessary to point out that the inspection of mines is almost inevitably entrusted to a separate service of specialists. So far as agriculture is concerned, in some of the Latin American countries, for instance, in which some or all of the provisions of the general labour law apply to agricultural undertakings, such undertakings are liable to inspection in the same way as industrial undertakings.

One means by which uniformity of standards of inspection and enforcement can be and has been promoted in a number of countries is the holding of meetings of labour inspectors at regular intervals. Such meetings are usually held at the headquarters once a year, and they are particularly useful for broadening the outlook of the inspectors and maintaining their morale and efficiency.

Interdepartmental Co-ordination and Material Facilities.

Administrative co-ordination of the inspection activities of the various departments responsible for the administration of labour legislation is of prime importance. The *Inspection Manual* issued by the United States Federal Labor Department for the guidance of State inspection services contains the following valuable observations on this point:

An inspector should be familiar with the functions and duties of the different branches of the labour department, and also with the co-operative relationship that exists between the department of labour and other State departments acting in the interest of workers. The co-operation of the department of education in the enforcement of child labour laws, for example, and of the department of health in conditions that affect the health of the workers is of the greatest importance. If the enforcement of laws is divided among the work of

[1] *Qualifications for General Labor-Law Inspectors, op. cit.*

several divisions, there can be arrangements by which the violation of an hours law, discovered through a minimum wage inspection, can be reported to the hours division; violation of a child labour law observed by a safety inspector, reported to the child labour division. Report should be made to the proper agency of firms that are discovered by inspectors to be without accident-compensation insurance or unemployment compensation when subject to these laws. Such co-operation between different divisions and departments will have the effect of increasing the value of each inspection service.

Another point concerning administrative arrangements, which is in practice of the greatest importance for the efficient working of an inspection service and to which attention should therefore be called, is the provision of adequate and appropriate office and material facilities, including accommodation, facilities for travelling, and clerical assistance. In a note on labour inspection supplied by the United States Federal Department of Labor to the International Labour Office it is stated:

> It is essential that a place be provided where the inspection staff may prepare reports and carry on other essential work, and where all interested persons may consult with the responsible administrator of labour laws. The co-operation of the workers and employers can be greatly facilitated where such local facilities are provided. The handling of complaints regarding violations of the labour laws and the dissemination of information on the provisions of the labour laws are promoted more readily through the establishment of properly equipped local offices.

The Financial Aspect.

The establishment of a satisfactory system of labour inspection is necessarily a relatively expensive undertaking, particularly in economically underdeveloped countries. Even in the industrially more developed countries the inspection services are seldom endowed with a really adequate budget. In the United States, for example, according to the information supplied by the Federal Department of Labor, "no State labour department has had sufficient funds to enable it to do an adequate inspection job. Larger, more adequate appropriations are greatly needed in order to promote the employment of sufficient inspectors to secure proper enforcement of the various State labour laws."

Many public services are unable to organise labour inspection on really efficient lines for lack of necessary funds, and the resulting relative inefficiency makes it difficult or impossible

to obtain funds through taxation, the burden of which will naturally fall in the main on the local industries. On the other hand, the unwillingness of the industrialists to pay increased taxes to maintain a more adequate labour inspection service is largely the result of the demonstrable shortcomings of the existing service. To find a way out of this vicious circle, it is necessary to convince the average employer that the efficient application of a well-designed code of labour legislation is a powerful instrument to increase output, reduce costs, and promote industrial peace. Such has without doubt been the experience of the industrially more developed countries, for in the words of the United States Department of Labor's *Inspection Manual*, the ordinary employer can be shown that—

> ... because he and thousands of other employers like him do not make every effort to safeguard their workers against accident and occupational disease, the insurance rates are higher than they need be, and that he is paying that increased cost. He can be shown that costs of production increase when an injured worker has to be replaced by a new worker. He can be convinced of the greater co-operation that can be expected from his workers if he shows a real and practical interest in their welfare. The inspector's mechanical skill can be used to suggest the most efficient and least expensive methods of installing safety devices. He can constantly make available to plant managers the new ideas, the new methods, the new devices of which he has knowledge in the interest of protecting workers.

The calibre of the inspection staff required if it is to fulfil these functions and the scale of remuneration that needs to be offered in order to attract suitable candidates are evident without further comment. A device to which recourse has sometimes been had for the purpose of financing factory inspection is that of charging the undertakings concerned a specific fee for each inspection on the analogy of the fees that are charged for specialised inspections, such as boiler and elevator inspections. This has been tried in parts of the United States and also in some of the Indian provinces in recent years. In the latter case, the experiment has been characterised as a "very doubtful expedient" by Sir Atul Chatterjee.[1] It detracts from the prestige of the factory inspectorate as a public service and opens the door to various abuses. It is noteworthy that the

[1] See his article on "Federalism and Labour Legislation in India", in *International Labour Review*, Vol. XLIX, Nos. 4-5, Apr.-May 1944, p. 442.

method was rejected by the 3rd Conference of American States Members of the International Labour Organisation, which emphasised the importance of the inspectorate being financed by the State.

The Inspecting Staff

The provisions of the Labour Inspection Recommendation, 1923, on the subject of the qualifications and training of labour inspectors have been summarily indicated above. The detailed provisions may be conveniently recalled here:

That, in view of the complexity of modern industrial processes and machinery, of the character of the executive and administrative functions entrusted to the inspectors in connection with the application of the law and of the importance of their relations to employers and workers and employers' and workers' organisations and to the judicial and local authorities, it is essential that the inspectors should in general possess a high standard of technical training and experience, should be persons of good general education, and by their character and abilities be capable of acquiring the confidence of all parties.

That the inspectorate should be on a permanent basis and should be independent of changes of Government; that the inspectors should be given such a status and standard of remuneration as to secure their freedom from any improper external influences and that they should be prohibited from having any interest in any establishment which is placed under their inspection.

That inspectors on appointment should undergo a period of probation for the purpose of testing their qualifications and training them in their duties, and that their appointment should only be confirmed at the end of that period if they have shown themselves fully qualified for the duties of an inspector.

That, where countries are divided for the purposes of inspection into districts, and especially where the industries of the country are of a varied character, it is desirable that inspectors, more particularly during the early years of their service, should be transferred from district to district at appropriate intervals in order to obtain a full experience of the work of inspection (Paragraphs 13-16).

In a number of European countries former manual workers and other persons possessing a higher degree of practical training than of general education have been employed as labour inspectors, with varying results.[1] Most American countries, on the other hand, insist on a fairly high standard of "general education", and many require adequate guarantees of the charac-

[1] Cf. *The Organisation of Labour Inspection in Industrial and Commercial Undertakings*, *op. cit.*, pp. 94-101.

ter and moral fitness of the candidates, while the same importance does not seem to be attached to "technical training" or "technical experience".

The manner in which new entrants to the labour inspection service are chosen must clearly vary according to the circumstances of the country concerned and the methods currently adopted for the selection of recruits to the public service in general.

In view of the very special nature of a labour inspector's responsibilities, it is clear that the ordinary written examination, in which the main emphasis is inevitably laid on the candidate's academic, literary, or theoretical knowledge, is unlikely to provide a completely satisfactory test of suitability, for a written examination will not bring out two of the most important requisites in candidates for posts in a labour inspection service: suitability of personal character and disposition, and practical experience. In this connection, it is particularly interesting to note the systems of "weighting" proposed to the Division of Labor Standards of the United States Federal Department of Labor by the two committees which advised respectively on qualifications for factory inspectors and general labour-law inspectors (see above). In the case of factory (safety and health) inspectors, the competent advisory committee advised that—

All applicants shall be rated on the extent and quality of their experience, education, and fitness that are relevant to the duties on a scale of 100, such rating being based upon applicant's sworn statement and upon corroborative evidence.

	Weights
1. Experience and fitness	70
2. Written examination	30
Total ..	100

The oral examination shall be given in the order of the applicants' standings as a result of the preliminary rating; and such preliminary ratings may be adjusted in accordance with the results of the oral examination.

In the case of applicants for posts as general labour-law inspectors, the advisory committee recommended the following scale:

	Weights
1. Experience and education, based on applicant's sworn statement and upon corroborative evidence	40
2. Written examination	30
3. General fitness as determined by oral examination	30
Total ..	100

The Office has no information to show how such systems of weighting have worked out in practice. However, it seems safe to assume that for the selection of recruits to any labour inspection service, some such system needs to be adopted, by means of which the advantages in respect of fairness and impartiality of choice that are offered by the competitive written examination can be combined with those of other methods of testing more appropriate to the determination of personal aptitude and practical ability.

The training and recruiting of inspectors was under discussion in Indonesia during the 'twenties, but the world depression put an end to the possibility of any practical solution. It had been objected that labour officers were insufficiently versed in problems of tropical production and indigenous mentality. It was therefore proposed in 1930 that labour inspectors should be selected from young men who had just completed their studies; that they should begin by serving 9 months on different types of plantations under their managements; that the next 6 months should be spent with the central labour office; that the third stage of training should be served on a plantation in the Outer Provinces; and that a final period of one year should be spent in inspection duties under the direct supervision of a labour inspector. The emphasis on problems of management was natural in the 'thirties. Mention may also be made in this connection of the practice of the United Kingdom Colonial Office in recent years of selecting labour officers from among British trade union officials.

The question also arises, by what sort of a body should the examinations or tests to which candidates for posts in the ins-

pection service are subjected be conducted? In some cases, no doubt, the existing "public service commission" will be considered the appropriate body. Attention may, however, be drawn to the following interesting suggestion put forward by the advisory committee on qualifications for general labour-law inspectors in the United States:

> In those States having civil service laws, the use of the examination, under regular civil service procedure, is recommended. In other States the committee recommends that the test be applied by an impartial, non-partisan board, which includes representatives of workers, of employers, and of governmental administration, and of the public, as an open competitive test.

The association of representatives of the employers and workers in the choice of recruits to the labour inspection service might certainly offer the double advantage of ensuring greater attention to the practical capacity of candidates and of giving the employers and workers greater interest and confidence in the working of the inspection service.

Even for persons already possessing practical experience of actual conditions in industrial and commercial establishments, the duties of a labour inspector will inevitably present many new and unfamiliar problems. It is, therefore, particularly important that provision should be made for the definite training of recruits to the service during an initial probationary period. The importance of making adequate provision for refresher courses for labour inspectors is stressed by the Government of India.

Mention may also be made of various arrangements on the international plane designed to assist in broadening the outlook and increasing the knowledge and experience of inspectors from the national inspection services. In the first place, officials from national inspectorates have on various occasions been enabled to profit by a period of some months spent at the International Labour Office. Such a period makes it possible for them to meet nationals of other countries who have had experience in dealing with labour inspection problems. It also gives them an opportunity of obtaining an insight into the legislative and administrative measures that have been adopted in other countries. Secondly, just as periodical meetings of the inspectors of a single national service among themselves afford a valuable means of "in-service" training, so international

meetings of representatives of national inspectorates may and do possess a similar educational value. The International Labour Office has organised two regional meetings of representatives of labour inspection services (The Hague, 1935, and Vienna, 1937) and proposes, in accordance with the specific desire of the International Labour Conference, to continue to call such meetings. The same purpose was to some extent fulfilled by the placing of the question of labour inspection on the agenda of the 3rd Conference of American States Members of the International Labour Organisation, to which reference has already been made. The value of these international meetings, perhaps more particularly for officers whose service keeps them in some isolation from other officers meeting similar problems, is undeniable, as was clearly evident at the West Indies Labour Conference held in 1946.

The importance of the precept that the inspectorate should be on a permanent basis, and that inspectors should be given such a status and standard of remuneration as to secure their freedom from any improper influence, cannot be exaggerated. It is interesting to recall in this connection that the first four labour (factory) inspectors appointed under the Act of 1833 to carry out inspection of cotton textile factories in Great Britain —the first country to set up such a service—were men who had already attained eminence in professional life; they were given a very high status in the public service, and were paid salaries of £1,000 a year. In 1833, such a salary compared very favourably with the earnings of a successful business man operating on a moderately large scale or of a fairly successful medical practitioner or barrister.

The International Labour Organisation stands doubly committed to the principle that women should be employed in any labour inspection service. In the first place, Article 41 of the Constitution lays down the principle that "each State should make provision for a system of inspection in which women should take part, in order to ensure the enforcement of the laws and regulations for the protection of the employed." Secondly, the Labour Inspection Recommendation, 1923, reaffirms the same principle in Paragraph 12.

Co-operation with Employers and Workers

The establishment of satisfactory relations between employers

and workers is one of the essential conditions for the smooth working of the machinery of modern industrial production, and their confidence and active co-operation are indispensable to the labour inspector if he is to succeed in his task. Technical competence, willingness to assist with advice, the avoidance of a pompous display of authority, personal honesty and disinterestedness are qualities which are essential for winning the confidence of the employers or their organisations. As has been already remarked, the labour inspector's functions are not confined to police duties. He can, in the words of the *Inspection Manual* published by the United States Department of Labor, do—

> ... far more than enforce the letter of the law. He can use his specialised knowledge, his tact, and his skill to enlist the interest of the employer in improved methods and in putting them into effect without compulsion... The inspector must be able to give the employer an equally clear picture of the law and of what constitutes compliance with the law. The employer is a citizen and a taxpayer, and he shares in benefits to the community which grow out of well-administered labour laws. An informed inspector can point out the advantages which the employer derives from sound labour standards, since he secures more efficient work from employees who work reasonable hours and are paid fair wages and who are given clean and safe working places... The inspector must realise the confidential nature of the information to which he has access. The importance of not disclosing information secured during an inspection cannot be overemphasised.
>
> ... The employer should be assured that such information will be held confidential... An inspector should never discuss with an employer violations that have been found in inspecting the establishment of another employer. Not infrequently, an employer offers an inspector a gratuity, either in the form of a material gift or of some special service for which no charge will be made... Regardless of the employer's intent in such a situation, and whether or not the department has made an official ruling on the matter, there can be only one safe procedure for the inspector to follow for his own protection and for the protection of the department, and that is for him to refuse, tactfully, but finally.

In order to win the confidence and co-operation of the workers, the inspector, in addition to displaying qualities of competence, discretion, impartiality, and disinterestedness, must be completely accessible to the workers, as laid down in Paragraph 19 of the Labour Inspection Recommendation, 1923. This is a point of great importance in the case of newly industrialised countries in which industrial relations are as yet in the early stages of

evolution, or of countries in which large numbers of workers are illiterate and have only a vague or insufficient understanding of their rights and duties. Patience and willingness on every occasion to investigate a complaint that is addressed to him are therefore required of the labour inspector, one of whose main tasks will always be to explain the requirements of the law and the best practices in respect of industrial health, safety, and general efficiency, to the workers no less than to the employers.

The Labour Inspection Recommendation, 1923, lays particular stress on co-operation between the labour inspectors on the one hand and the employers and workers and/or their organisations on the other in respect of health and safety. Paragraph 7 (*e*) of the Recommendation lays down that—

> ... inspectors should encourage the collaboration of employers, managing staff, and workers for the promotion of personal caution, safety methods, and the perfecting of safety equipment.

The same provision appears in the Social Policy in Dependent Territories (Supplementary Provisions) Recommendation, 1945.

Further, Paragraph 20 lays down that—

> ... with a view to securing full co-operation of the employers and workers and their respective organisations in promoting a high standard in regard to the conditions affecting the health and safety of the workers, it is desirable that the inspectorate should confer from time to time with the representatives of the employers' and workers' organisations as to the best measures to be taken for this purpose.

Co-operation between the labour inspectors and the representatives of employers' and workers' organisations for such technical purposes can be of great utility. In many countries, inspectors have come increasingly to rely on the co-operation of such bodies as works committees, joint production committees and works safety committees. There can, however, be no question of the inspector's delegating any part of his official responsibilities to such bodies, or of their encroaching upon his duties in any way.

One way of stimulating and strengthening the collaboration of employers and workers with the labour inspection service is to include representatives of both groups in the board responsible for the selection of candidates for posts as labour inspector. Such an arrangement might be useful as a starting point for building up a regular system of direct association of

employers and workers in the drafting and enforcement of labour legislation, such as already exists in some western European countries.

Frequency and Thoroughness of Inspection; Inspection Reports

The general standard laid down in Paragraph 18 of the 1923 Recommendation, namely, "that, as far as possible, every establishment should be visited by an inspector for the purposes of general inspection not less frequently than once a year", is hardly likely to be attained regularly in the existing conditions in Asiatic countries, although in some of them a great deal of attention has been given during the past several years to labour inspection. The same paragraph specifically mentions the "special difficulties in countries or areas of a rural character where factories are widely scattered". This is a difficulty peculiar to Asiatic and other economically underdeveloped countries. In such cases two methods have been adopted with a view to making the inspection of outlying workplaces easier. One consists in delegating responsibility for labour inspection to some other authority which will in any case be obliged to carry out visits of inspection at such outlying working centres at fairly regular intervals (*e.g.*, the sanitary authorities or the mining inspectorate). Such a delegation of functions has its drawbacks, but it is obviously better than the complete absence of supervision. Secondly, the labour laws of some countries compel the management of outlying workplaces, in certain circumstances, to provide the labour inspector with transport and accommodation for the purpose of his official visits. Here again, to place an inspector in a position of dependence upon a particular employer—even if it be only for transport and accommodation—inevitably involves some degree of disadvantage; but where the choice is between making such an arrangement and abandoning almost all hope of carrying out visits of inspection, there can be no doubt that the advantages outweigh the disadvantages.

One of the most important parts of the Labour Inspection Recommendation, 1923, is undoubtedly Part IV, dealing with the reports that should be submitted on inspection activities, namely, (*a*) those that should be submitted by the individual

inspectors to their central authority, and (*b*) the report on the activities of the inspectorate as a whole that should be published by the competent authority annually. The provisions laid down are as follows:

That inspectors should regularly submit to their central authority reports framed on uniform lines dealing with their work and its results, and that the said authority should publish an annual report as soon as possible and in any case within one year after the end of the year to which it relates, containing a general survey of the information furnished by the inspectors, that the calendar year should be uniformly adopted for these reports.

That the annual general report should contain a list of the laws and regulations relating to conditions of work made during the year which it covers.

That this annual report should also give the statistical tables necessary in order to provide all information on the organisation and work of the inspectorate and on the results obtained. The information supplied should as far as possible state:

(*a*) The strength and organisation of the staff of the inspectorate;

(*b*) The number of establishments covered by the laws and regulations, classified by industries and indicating the number of workers employed (men, women, young persons, children);

(*c*) The number of visits of inspection made for each class of establishment with an indication of the number of workers employed in the establishments inspected (the number of workers being taken to be the number employed at the time of the first visit of the year), and the number of establishments inspected more than once during the year,

(*d*) The number of and nature of breaches of the laws and regulations brought before the competent authorities and the number and nature of the convictions by the competent authority;

(*e*) The number, nature and the cause of accidents and occupational diseases notified, tabulated according to class of establishment.

As to the desirability of the publication of regular annual labour inspection reports in accordance with the above provisions, the following comments on this subject contained in the Report on labour inspection submitted by the Office to the 3rd Regional Conference of American States Members of the International Labour Organisation, held in Mexico City in April 1946, may be cited:

In countries where the labour inspection service publishes year by year a detailed report on its activities with full statistical information such as that mentioned in the 1923 Recommendation, and also with an interesting review of the main developments that have taken place (*e.g.*, in regard to hours of work, the trend of industrial accidents, the

appearance of new health hazards and the elimination of old ones, and the collaboration of the employers and workers and their organisations with the authorities for the purpose of securing improved working conditions), such a report is liable to attract widespread interest and attention. Extracts or summaries of its contents are published throughout the press, and discussion of some of the problems to which the report draws attention is stimulated. The public, the parliament and the taxpayer are impressed with the fact that the funds voted for labour inspection and administration are not being wasted. The individual legislator is provided with new ideas concerning the desirability of specific measures of social reform. The employers are made to realise that the labour inspectorate is a technically efficient body whose services can enable them to increase industrial efficiency and lower costs. In particular, the statistics of industrial accidents and diseases and the discussion of their causes and the most appropriate means of reducing their incidence, provide a great stimulus to the adoption of better methods of management. The workers for their part are shown that those very labour inspectors who may have annoyed them by refusing to sustain their complaints on this or that specific issue, have none the less instituted so many prosecutions, secured the infliction of such and such penalties, and been instrumental in obtaining the reimbursement to particular categories of workers of such and such considerable sums in respect of wages due under the law and wrongfully withheld. They see that their country's labour legislation, far from being a dead letter or a matter of purely academic interest, is in fact resulting day by day in the effective improvement of conditions of life and work.

Nor should the importance of the publication of full periodical reports on the activity of national labour inspection services from the international standpoint be overlooked. In the long run the efforts of the International Labour Organisation and of the various bodies that are now being set up within the framework of the United Nations Organisation for the purpose of improving social and economic conditions throughout the world can only succeed if a minimum degree of mutual confidence can be created. Moreover, the effectiveness of the work of the various official international secretariats, and of the International Labour Office in particular, will be far easier and more effective if information of the kind that should be published in the annual reports of labour inspection services is readily available. An international campaign to reduce hours of work must, if it is to succeed, be based upon full and accurate information on the hours actually worked and the manner in which existing legislation limiting working hours is respected. An international campaign for the promotion of industrial safety or industrial health can only succeed if it is based on full and accurate information about the accidents and cases of disease that are actually occurring in the world's workplaces, and on the methods adopted for combating such hazards.

Present Position of Labour Inspection in Some Asiatic Countries

Finally, attention may be drawn to some features of the existing systems of labour inspection in Asiatic countries.

Mr. T. K. Djang, formerly Chief of the Chinese Bureau of Factory and Mining Inspection, has made the following observations on the position in China in 1945:

> The total number of factory inspectors on the staff list at present is 18. Of this number, 3 are on other duty, and of the remaining 15, 5 are at headquarters in the Ministry and 10 stationed at various industrial centres. Special examinations for the recruitment of factory inspectors, under the joint auspices of the Executive Yuan and the Ministry of Social Affairs, were held in 1941, 1942 and 1943, and it was on the basis of the results of these examinations that the inspectors were appointed. They were also given intensive training for a period of three months before they were assigned to different posts. Nevertheless, it cannot be said that the inspectorate has as yet acquired sufficient prestige to be able to fulfil its responsibilities. These are particularly heavy in the existing circumstances...
>
> Some reference must also be made in this connection to the salary scales of factory inspectors. It is true that before the war the civil service was regarded as a lucrative occupation in China and that undergraduates aimed at securing a Government post on the completion of their studies. The wartime devaluation of the currency and rise in the cost of living have changed the situation. The civil servants are among those who have been hardest hit by these wartime developments, with the result that the civil service has ceased to attract promising young persons, who prefer to take up more remunerative professions such as medicine or engineering. Furthermore, the headquarters staff at Chungking receive special privileges such as facilities for board and residence at reduced cost, which are denied or are not readily available to Government servants stationed at distant industrial centres. One factory inspector, who was stationed at Yuen-ling in Hunan in 1944, was virtually cut off from Chungking for three months. The task of the factory inspectorate in China is, therefore, considerably more onerous than that of its counterpart in some other countries, and this is a consideration which cannot be overlooked in weighing its achievements.[1]

According to statistics supplied by the Chinese Government the number of factories inspected in 1942 was 206; in 1943 684; in 1944, 956; in 1945, 1,601; and in 1946, 697.

Some account has already been given of the organisation of labour inspection services in India within the existing adminis

[1] "Some Problems of Labour Law Enforcement in China", in *International Labour Review*, Vol. LIII, Nos. 1-2, Jan.-Feb. 1946, p. 45

trative framework. It may be added that a provincial Government may appoint public officers to be additional inspectors. District officers are *ex officio* inspectors in their own districts. The work of additional and *ex officio* inspectors is particularly important in the case of seasonal factories (those working less than 180 days in the year), and it has been stated that such inspectors are now being used. The administration of Indian mining legislation is the concern of the Central Government. The Chief Inspector of Mines and other inspectors are appointed by the Governor-General in Council, who is also empowered to make regulations prescribing and regulating the duties and powers of inspectors, as well as regulations relating to health and safety, the duties and responsibilities of employers, etc. The work of the inspectors includes investigation into the causes and circumstances of serious accidents, as well as complaints and breaches of regulations and rules. Inspections are also undertaken at the invitation of undertakings desirous of obtaining advice on safety matters, and inspectors are often called upon to investigate the causes of actual or threatened damage to dwelling houses and roads by reason of subsidence above the underground workings of coal mines, and in dealing with underground fires.

During 1939, 9,046 factories were inspected, while 1,420 were uninspected. The corresponding figures for 1944 were 10,809 inspected (including 3,060 inspected twice, 1,357 inspected three times, and 816 more than three times) and 2,839 uninspected. The Labour Investigation Committee, in its report published early in 1946, drew attention to the large number of uninspected factories and noted that almost all the Chief Inspectors of Factories and some of the provincial Governments admitted that the present strength of the Inspectorate was inadequate. It also observed that some inspectors' reports revealed a tendency to concentrate more on the technical aspects of factory inspection than on the human aspects, such as employment, hours of work, working conditions and the like.

The Government of Ceylon states that the general principles set forth in the preceding pages have been applied in practice in that country. Difficulties have, however, been experienced in obtaining technical personnel for inspection purposes and there is also an absence of women inspectors. Owing to financial considerations it has not been possible to separate the func-

tions of inspectors that relate to the enforcement of statutory provisions from those that are connected with the conciliation and settlement of industrial disputes. Such unification of functions, besides being economical, has not created any major difficulties.

There are a total of 40 inspectors posted to various areas, in which they visit plantations, shops, mines, factories, and other workplaces to supervise the enforcement of labour measures. They also deal with industrial relations under the supervision of the administrative officer of their district. Another 10 inspectors are undergoing training before being posted to various areas. No factory inspectors have been appointed as yet. Though the Labour Medical Officer investigates conditions of work, general medical inspection is carried out by the officers of the Department of Medical and Sanitary Services. Officers of the Public Works Department supervise the safety provisions of the Mines and Machinery Ordinance and issue certificates of competency for boiler operators. The Inspector of Mines, working under the direction of the Government Mineralogist, supervises the working of plumbago mines. During 1944, 94 inspections of mines were carried out; 1,398 shops were inspected in Colombo; and sanitary inspections were carried out on 516 estates. As for industrial disputes, 29 were listed as either investigated or as investigated and settled by labour officers.

A General Labour Inspectorate with jurisdiction over the whole of Indo-China was set up in July 1927. This step was preceded by the establishment of local inspectorates in Cochin-China, Tonkin, and Cambodia. The competence of the General Labour Inspectorate extended to non-contract labour, contract labour, and compulsory labour, and it was responsible for the management and centralisation of the whole scheme. Its duties were threefold: (1) co-ordination of measures for the regulation of labour, savings institutions and social welfare; (2) supervision of the movement of labour and operations connected therewith; (3) inspection of various services dealing with labour and undertakings of all kinds employing labour. Insurance companies and, generally, all savings institutions were placed under the supervision of the General Inspectorate.

After undergoing various changes, the General Labour Inspectorate, which in 1940 was immediately subordinate to the

Governor-General, was made one of the services of the Federal Directorate for General Administration and Social Affairs. It is responsible for centralising the reports of the local inspection services.

These services, set up in each territory of the country, are responsible for making enquiries into conditions of employment and supervising the enforcement of regulations in industrial, handicraft, commercial, and agricultural undertakings. In mines, conditions of work and social security measures are enforced by the labour inspectors and industrial safety measures by the Mines Service. The local inspection services, although they send their reports to the central service, are administratively subordinate to the Government of each territory. The division of functions between the new national Governments of these territories and the Commissioner's Office of the French Republic in each territory is being worked out. The local inspection services are composed of a chief inspector, assistant inspectors, and labour supervisors, both Indo-Chinese and European. In addition, the head of the administration of each province has powers of inspection. In 1932, the labour inspectors were made responsible for the conciliation of collective disputes between Asiatic workers and their employers. They also represent the workers' interests on the joint committees, and in the case of contract labour, they represent the workers before the legal authorities in matters relating to the execution of the contract.

In the French Establishments in India, the labour inspection service has authority to inspect factories, workshops, laboratories, kitchens and cellars in commercial undertakings (shops and warehouses), offices, entertainment undertakings of all kinds, and ancillary departments of the above. As previously mentioned, they also have powers of arbitration in collective labour disputes.

In Indonesia, labour inspection with the object of ensuring the protection of the workers, as distinct from measures of public safety, dates from 1852, when the Steam Boilers Regulations were adopted. A safety inspection service was gradually built up and in 1925 the service came under the control of the Labour Office in the Department of Justice. In 1940 the head of the Safety Inspection Service had a staff of 8 mechanical engineers, 2 electrical engineers, and 15 technical and administrative

assistants. The territory covered was divided into six districts, and the Service had its headquarters at Batavia. The Service was able to inspect in 1940 as much as 72 per cent. of the total undertakings subject to inspection, and the reports show that a policy of active co-operation with employers and workers was pursued.

So far as the supervision of the application of legislation for the protection of miners and seafarers is concerned, the position before the Second World War was that the merchant shipping legislation was administered by the Shipping Service and that the inspectorate of mines was part of the Mining Service set up in 1907 for the administration of the Mines Act.

As to labour inspection properly so called, or the supervision of the application of laws and regulations relating to conditions of engagement and employment generally, it may be mentioned that labour inspection in the Outer Provinces came under the control of the Labour Office in 1923 and that in the following year inspection was extended to the "panglongs" (timber-sawing establishments in the Outer Provinces). In 1931 the labour inspectorate consisted of the Chief Inspector, 3 first class labour inspectors, 27 inspectors and assistant inspectors, 3 controllers of recruiting, 6 labour controllers, 54 Indonesian assistants, 13 Chinese inspectors and 18 administrative officials. Drastic reductions in staffs consequent upon the economic depression in the 'thirties affected the labour inspectorate in particular, but efforts were made to retrieve the situation. The policy pursued in respect of labour inspection generally seems to have been one of placing greater emphasis on persuasion than coercion, and the results are reported to have been not so satisfactory as expected. One commentator at least was led to remark that "looking back on events, it would seem that energetic action from the beginning would have been desirable".[1] The situation was restored later. In 1939, already, the senior labour inspection staff consisted of the Chief Inspector, 16 inspectors, 2 controllers of recruiting, 6 controllers, and 2 administrative officers. During the year, in Java, 406 estates, 276 major undertakings and 792 smaller industrial undertakings were inspected, and in the Outer Provinces most European-owned estates were inspected. Furthermore, the

[1] Ph. LEVERT : *Inheemsche Arbeid in de Java-Suikerindustrie*, p. 65.

powers of inspectors were increased notably by an Ordinance of 1941 regulating employment in industrial undertakings, and the Labour Office undertook important enquiries into the workers' cost of living, which led to proposals for a general minimum wage applicable throughout Java.

The inspection of factories, plantations and workplaces generally in Malaya is entrusted to the Commissioner for Labour, the Indian and Chinese Labour Inspectors, the health officers and the district officers. The Inspector of Machinery is empowered to visit all places of employment where machinery is installed.

At the beginning of 1946, there were in Singapore 4 factory inspectors in theory, 3 Chinese and 1 Indian, whose functions included the investigation of labour conditions and the enforcement of the Labour Ordinance. In fact, owing to shortage of staff and other reasons, only one inspector remained for this work, although inspections were carried out by other officers when time allowed. It is now proposed to have 2 permanent factory inspectors and 2 Asiatic labour officers whose duties will include inspection. Attached to the Labour Office is a Chief Inspector of Machinery, who inspects factories to see that the boilers are in satisfactory condition and to inspect the machinery generally. All machinery has to be certified by him as being in good order. His department is stated to be very much understaffed and in practice most of his time is spent in inspecting boilers.

Before the Second World War, factory inspections in the Philippines were periodically conducted by the Department of Labor in order to enforce existing laws relating to the promotion of health and safety of the workers, and in 1938, for example, the Department covered 3,974 firms employing 242,539 workers. The Labour Inspection Division now comprises three separate sections to enforce compliance with the Eight-Hour Labor Law, the Women and Child Labor Law, and safety regulations. The Medical Inspection Division deals with the observance of industrial hygiene regulations. During the fiscal year 1945, the inspectors and agents of the Department of Labor inspected 2,241 establishments employing 25,803 workers. An amendment to the Commonwealth Act No. 104 authorises the Secretary of Labor to charge reasonable inspection

fees, at rates fixed by him in consultation with the Advisory Safety Council.

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Among the recommendations made by the Asian Relations Conference in its report on labour problems are the creation and development of organisations for the enforcement of labour measures and inspection concerning the application of labour legislation, as well as the collection of statistics and information on labour matters in different Asian countries and the exchange of such information between them.

Finally, it may be noted that labour inspection was one of the questions on the agenda of the 30th Session of the International Labour Conference, held at Geneva in June-July 1947. Most of the countries taking part in the present Conference have had quite recently an opportunity to make their views on labour inspection known at the General Conference. This question has again been dealt with at some length in this Report on account of its especial importance for the development of social legislation in Asiatic countries and for the evolution of common international social standards, particularly at the present time when concerted attempts are being made to ensure that the different parts of the world are closely knit on a democratic basis. As a next step in the consideration of this question, it is suggested that the present Conference might consider the desirability of recommending to the Governing Body of the International Labour Office the convocation of a conference of factory inspectors from countries in the Far Eastern region to examine some of the special problems relating to factory inspection in the region.

CHAPTER VIII

CONCLUSIONS

Reconstruction Planning in Asiatic Countries

The war imposed a severe strain on all the countries of the Far Eastern region without exception. Some of them came under enemy occupation, while in the case of others a considerable part of their resources had to be diverted to the war effort, with the result that there were great shortages of essential civilian supplies of all kinds—housing, food, clothing, drugs and medicines. It is true that such shortages were common to all belligerent countries and that they were not confined to the Far Eastern region. But it has to be remembered that in the Asiatic countries in this region the habitual standard of living is very low in comparison with that in western Europe, on the North American Continent, or in Australasia, and leaves little margin for emergencies. The agricultural Asiatic countries, in meeting the exigencies of the war and in bringing about an increase in production, had to contend with all the drawbacks of an underdeveloped economy—the lack of social mobility, the dearth of skilled personnel, the limitations on the fabrication of the tools of war, the difficulty of organising large numbers of men for the war effort and of enforcing wartime controls of one kind or another over widely scattered and loosely integrated areas, and, not least, the maintenance of the morale of a depressed population. The situation has served to bring home to the authorities and the people alike the urgent need for a considerable improvement in production as well as distribution, so as to raise the standard of living of the people.

The First World War, it is true, had affected Asiatic countries considerably, but it did not demonstrate as directly or as forcibly as the Second the difficulties of the organisation of food supply or labour supply in the existing conditions. The

war showed that it is of the first importance to provide the workers with sufficient food. In many areas the recruits to the armed forces had to be given nutritious food in order to fit them for training. It was, moreover, made clear that the arrangements for training workers in sufficient numbers for employment in skilled trades could not be hastily improvised with the meagre resources available. The lack of the necessary supply of skilled workers to increase production was a grave drawback in the war effort of most Asiatic countries. It was no less evident that—notwithstanding the quick adaptability of Asiatic workers and their undoubted aptitude for training for skilled trades, derived from secular traditions of fine craftsmanship—illiteracy is a severe handicap for employment in modern machine manufacture. The war served to drive home the lesson that poor physique and illiteracy are serious drawbacks, which Asiatic workers can be enabled to overcome only by long-term planning for the development of the economies of the countries concerned and the purposeful organisation of the necessary facilities. It is evident that the lesson has not been lost on many of them, for in a number of cases authoritative plans have been or are being drawn up for reconstruction with a view to building social and economic policy on firmer foundations for the future.

Reconstruction planning in China is inspired by Dr. Sun Yat-sen's well-known Three People's Principles. Such planning received a great deal of attention during the war, notwithstanding the pressing preoccupations of the time. Several statements on the social policy which reconstruction planning is designed to promote have been made during the war and since its termination. Attention may be called here to a few of the more important of these statements. In March 1943 the Minister of Economic Affairs of the National Government gave an outline of the plan for industrial development, which, he said, was based on the assumption that for practical reasons such developments would have, in the first instance, to be confined to China proper, or north China south of the Great Wall, parts of north-west China nearer to China proper, the Yangtse Valley, south and south-west China, and the three Manchurian north-east provinces and Sinkiang. An essential preliminary would be the improvement and extension of communications in all these areas. Considering that the pre-war *per capita* national

income was estimated to be between 20 and 40 dollars a year, the financial resources available for development would necessarily be limited. It was suggested that, nevertheless, production goals should be set for the development of heavy and light industries and communications during the first 10 post-war years, divided into two periods of 5 years each; and provisional targets for the output of coal, steel, machinery, and minerals at the end of the first and second 5-year periods were stated.

In September 1943 the Central Executive Committee of the Supervisory Committee of the Kuomingtang adopted two resolutions relating to post-war industrial development and to co-operation with friendly nations for that purpose. One of the resolutions recommended the following: the formulation by the Central Government of a plan for industrialisation and its execution by well-defined stages; the development of industry on efficient lines by State enterprise (in the case of industries which are of a monopolistic character and others which might with advantage be controlled by the State) and by private enterprise (the State giving the necessary legal protection and providing various forms of assistance); the preservation and development of handicraft industries and industrial co-operatives; the development, in particular, of export industries; the adoption of measures designed to promote investment in industry; the adaptation of the Government's fiscal, financial, and educational policy to the needs of industrialisation; the provision by the undertakings of the necessary facilities for the technical training of their own staffs; the promotion of scientific and technical research; and recourse to foreign capital and technical assistance to promote industrialisation. The other resolution recommended close co-operation with friendly foreign nations in the promotion of industry and the removal of certain existing restrictions in respect of the employment of foreign capital or technical personnel; the provision of facilities, subject to Government regulation, to aliens to finance their own undertakings in China and to private individuals to seek foreign loans; and the determination by the Government of the categories of State undertakings which might seek foreign financial assistance in the form of loans or investments.

The Supreme National Defence Council, at its 148th meeting held in Chungking in December 1944, resolved that in re-

construction planning provision should be made for State ownership as well as private ownership, each functioning where best suited. The resolution stated that enterprises such as postal and telegraph services, arsenals, mints, important railways and hydro-electric plants would continue to be operated by the Government; any other enterprise might be operated by private concerns either independently or jointly with the Government. The working of all private concerns would, however, be regulated by the Government and they would be given special assistance if they operated in conformity with official plans. Large-scale petroleum, iron and steel, shipping or other industrial undertakings, which the Government regarded as of special importance and which could not be operated by private enterprise alone, might be undertaken by the Government exclusively or jointly with private capital. The resolution invited foreign capital to the country "in a spirit of equal and reciprocal international co-operation", and it was announced that in order to stimulate its flow certain previous restrictions had been removed.

Reference may also be made here to four statements on social policy, dealing respectively with the growth and distribution of the population, the regulation of conditions of labour, agrarian reform, and the organisation of social security, adopted by the Sixth Kuomingtang National Congress in May 1945 at Chungking. The statement on population policy envisaged the adoption of a number of measures calculated to increase the population, while ensuring at the same time that satisfactory standards of health and development are maintained. Labour policy, according to the statement, should be based on the twin principles of the sovereignty of the people and international co-operation, and should aim at the development of the organisation of labour, the adoption of measures designed to enhance the status of labour and ameliorate the conditions of life of the workers, the promotion of co-operation between management and labour, the better organisation of labour supply, the increase of productivity and the reinforcement of international labour relations for the organisation of social security on a broad basis. With these ends in view the Congress called upon the Ministry of Social Affairs to draft proposals for reinforcing and extending existing legislation or preparing new legislation, and urged that effect should be given to such proposals without delay.

With regard to labour relations, the principles enunciated in the statement were as follows: all workers, with the exception of those employed in munitions factories or those occupying supervisory or managerial posts, to be encouraged to form their own trade organisation; trade unions to be free to combine to form national federations and to engage in collective bargaining or in negotiations for the settlement of industrial disputes; the system of contract labour to be abolished.

The greater part of the statement related to the improvement of labour conditions in industry. It was urged that minimum rates of wages for the different trades should be fixed, and that there should be no sex discrimination in the payment of wages; that the hours of work should be limited to 8 a day and 48 a week; that a weekly rest of 24 consecutive hours and annual holidays with pay should be provided; that the employment of women and child workers at night or in hazardous occupations or occupations involving considerable physical strain, such as the lifting of heavy weights, should be prohibited and that women workers should be granted maternity leave and free medical assistance at the time of childbirth. Measures for the proper enforcement of the Factory and Mines Acts, including, in particular, the sanitary provisions, were also recommended. It was proposed that employers should be required to provide the necessary facilities for the promotion of the workers' welfare, such as the institution of suitable hostels, the distribution of nourishing food, the establishment of recreational facilities, co-operative and other self-help societies, and nurseries for the workers' children; that profit-sharing, the distribution of bonus among the workers, and the partnership of workers with employers by the acquisition of shares in the undertakings in which they are employed should be encouraged; that measures should be taken to promote the education of workers and improve their efficiency; that employers should be required to provide general education to their apprentices and young workers, in addition to technical training; and that production standards should be determined from time to time and "work contests" as well as other competitive tests should be organised in order to encourage the workers' efficiency and capacity for invention. The Government was called upon to build up a system of social insurance, including the provision of benefits during sickness and compensation for employment in

jury, for the workers, and to organise employment by the provision of vocational guidance and placing services and other similar action.

The statement recommended the provision of facilities to the workers to enable them to take part in public affairs and exercise their rights as voters in elections to the People's Political Council, the National Assembly, and other bodies.

The statement also urged the Government to participate in the activities of the International Labour Organisation and to promote the establishment of satisfactory international labour relations with a view to the building up of a system of social security on an international basis.

The policy statement on agrarian reform envisaged the development of agricultural organisation, the reform of land laws, and the promotion of the farmers' welfare. Accordingly, the following measures were proposed: rural development through the activities of agricultural unions, the formation of which should be encouraged by the Government; the consolidation of the rural economy by eliminating corrupt practices and encouraging the farming population to exercise its democratic rights to elect representatives to public bodies, to propose ameliorative measures and to prevent the pursuance of a policy inimical to its interests; the establishment of primary, secondary and higher educational institutions in rural areas in order to enable them to produce the necessary leadership for social and cultural advancement; the breaking up of the larger estates and the distribution of the land among the people; the determination of the land rent; the bringing under Government control of the use, lease, division, transfer or inheritance of the land, with a view to the transformation of the character of the rural economy; the provision of the necessary protection to tenant farmers; the reform and reorganisation of the land revenue system; the prohibition of moneylending at usurious rates of interest; the extension of co-operative credit societies; the improvement of the machinery for the grant of agricultural loans and the determination (in relation to prices of manufactured goods) and stabilisation of agricultural prices; the establishment of Government farms, the formation of collective co-operative farms, and the gradual mechanisation of agriculture; the introduction of a system of voluntary labour service for the execution of soil protection, water conservancy,

and other agricultural projects; the establishment of rural public health services; the provision of social assistance (poor relief, relief for the aged, promotion of child welfare); the improvement of the nutrition of the rural population; and the establishment of mutual benefit societies in rural communities and the provision of facilities for their recreational activities.

The statement on the organisation of social security laid down an order of priority in accordance with which measures should be taken for the safeguarding of the interests of the persons concerned. The highest priority was to be accorded to demobilised servicemen and junior officers; and next, the needs of peasants with holdings of their own and tenant farmers, workers formerly employed in war industries and transport workers, and civil servants, in that order, were to be taken into account. The execution of large public works projects for the purpose of stimulating general economic activity and providing opportunities for employment was particularly emphasised. The importance of the proper co-ordination of the technical training and placing services with the proposed public works schemes was likewise stressed.

The institution was envisaged of one or more schemes of social insurance (to cover the following risks: accident, old age, disability and death; sickness and maternity; unemployment), with contributions from the employers and workers (from employers alone in the case of accident insurance), and also subsidies, where necessary, from the Government, and with benefits at rates fixed with reference to the contributions paid. Social insurance was to be supplemented by enlarged social assistance in accordance with the Social Assistance Act. The making of contributions in cash or in kind by private individuals and voluntary associations for the provision of social assistance was welcomed. Particular attention was called to the urgency of providing such assistance to persons who have been deprived of gainful employment as a result of natural calamities or other unforeseen circumstances. Social assistance was to take one or more of the following forms: medical relief; the institution of relief works; the remission or reduction of taxation; the grant of loans in cash or in kind; and institutional care. Lastly, the Kuomingtang National Congress urged that the expenditure on social security should be shown separately in the annual budget estimates of the Government, and that the neces-

sary revenue should be derived from death duties, the "war indemnity fund", and international organisations for relief and rehabilitation.

The adoption of these statements marked an important step in the evolution of the social policy of the Kuomingtang National Congress. It is the present practice in China to refer major questions of policy to the Congress, which meets every three or four years, or to the Central Executive Committee of the Kuomingtang, which is elected by the Congress and meets once a year, or to the Central Standing Committee of the Kuomingtang, which meets weekly. When a decision relating to policy has thus been taken, a Bill to give effect to it is prepared by the competent Ministry and submitted to the Legislative Yuan or to the Executive Yuan for approval.

A number of the principles laid down in the resolution of the Supreme National Defence Council and in the social policy statements of the Kuomingtang Congress have been embodied in Chapter XIII, dealing with fundamental national policies, of the new Constitution, which was adopted by the National Assembly on 25 December 1946 and is to come into effect on 25 December 1947. Part 3 (Articles 142-151) of this chapter bears on the development of the national economy, which is to be actuated by "the principle of the people's livelihood"[1] and characterised by the equitable distribution of land and the control of capital. Among the principles specifically embodied in this part of Constitution are: the establishment of the State ownership of land as a rule, and the protection of well-defined private rights therein where acquired in accordance with the law; the provision of special assistance by the State to peasant proprietors and small farmers in respect of the distribution of land; the establishment of State ownership of mines and of the natural resources for the production of power; the operation by the public authorities, as a rule, of public utilities and other monopolistic enterprises and, where such enterprises are left to private management, the specification of the conditions in which they are to be operated; the establishment of State control of private property and private enterprise where such control is deemed necessary for balanced economic development; the provision of assistance by the State to co-operative

[1] The third of Dr. Sun Yat-sen's Three People's Principles.

organisations and the establishment of State control of private banks. In Part 4 (Articles 152-157) of the Constitution, which deals with social security, the following functions are attributed to the State: the provision of opportunities for employment for all persons capable of work; the enactment of labour legislation for the protection of rural as well as urban workers, and to enable them to improve their standard of living and increase their skill; the adoption of special measures for the protection of women and child workers; the statutory provision of machinery for mediation and arbitration of disputes between management and labour; the establishment of a system of social insurance and a comprehensive network of institutions for the promotion of sanitation as well as the protection of the health of infants, and of a public medical service. Under Part 5 of the Constitution, which bears on education and culture, all children aged 6 to 12 years are entitled to primary school education free of cost, and persons above that age who have not had this advantage, to an equivalent education and the supply of text books (Article 160).

The Ministry of Social Affairs states that measures are now being prepared to implement the four statements of the Kuomingtang Congress on social policy, and that priority is accorded to amendment of the Factory Act and the Trade Unions Act. A comprehensive social insurance programme is also in preparation.[1]

On 1 May 1947, the Legislative Yuan passed an Act setting up a Supreme Economic Commission to plan the full utilisation of the country's resources and to supervise economic affairs generally. The members of the Commission will include the Prime Minister, all Ministers dealing with economic matters, the Director of the Chinese National Relief Organisation, and the Governor of the Central Bank of China. This body replaces the Supreme Economic Council which was set up in November 1945 to promote, as rapidly as possible, the welfare of the Chinese people and to take steps to raise their standard of living. It was the Council's main function to devise measures for the fullest and most effective utilisation of the national resources, draw up the necessary plans and the main lines of policy, coordinate the economic activities of different Government de-

[1] For an account of this programme, see Report III, *Problems of Social Security*, p. 26.

partments, and review from time to time the progress made and the results achieved. The Council was given full authority over the economic activities of Government agencies, and its decisions were final.

A five-year plan of economic reconstruction was prepared by the Central Planning Board of the Supreme National Defence Council, in co-operation with various Ministries of the Executive Yuan, during 1944 and 1945 and was submitted to the Supreme Economic Council in 1946. Its approval by President Chiang Kai-shek was announced in January 1947, and it has been referred to the Supreme Economic Council for execution. It is reported that the total expenditure involved will be about 22,000 million dollars at pre-war value, and that this cost will be financed as to one third by the State, as to one third by private interests in China, and as to the remaining third by foreign investment. It is estimated that the execution of the plan will provide employment to 5 million men. It is further stated that the development of transport will receive special attention and that nearly 40 per cent. of the proposed total expenditure will be devoted to it; communications are regarded as the most important factor in the rehabilitation of the country, and a network of railways and roads reaching the remote parts of the interior is envisaged. The development of the manufacturing industries, mining and metallurgy, power, water conservancy, and agriculture are placed next in order of importance. The plan is also reported to envisage an increase in the production of wheat (by 5 million tons) and of animal protein foods (by 90 per cent. for milk, 80 per cent. for fish, 30 per cent. for meat, and 25 per cent. for eggs), as well as of cotton textiles. It is proposed to spend nearly half the estimated total cost on imports from abroad of materials and equipment and on the services of foreign experts.

The initial steps to consider problems relating to the transition from war to peace in industry in India were taken as early as June 1941, when an interdepartmental committee was set up for that purpose with provision to associate representatives of commercial and industrial interests, including labour, and economists from Indian universities in the deliberations. This committee was replaced in March 1943 by a Committee of the Viceroy's Council, because it was felt that reconstruction planning had assumed such urgency as to need to be taken up

at the highest level by the Government as a whole. Various committees consisting of representatives of the Central, provincial, and Indian State Governments as well as non-officials were set up at the same time to assist the Reconstruction Committee of Council.

This Committee has issued two reports, setting out not only the general objectives of planning, but also detailed plans for development in a number of fields, including agriculture and fisheries, trade, industry, communications, public health, and public instruction. While these plans are provisional in character, in as much as they have to be finally accepted by the Central and provincial Governments with the necessary authority to give effect to them, they embody, nevertheless, the considered views of the departments concerned within the limits in which it had proved practicable to determine and define such views, and are designed to provide guidance to the local authorities and industrialists as well as other agencies or individuals concerned who have to make their own arrangements pending further decision. In addition to the Council's two reports, various reports have been prepared and published by Central Government departments, provincial and State Governments, and commissions or committees appointed to conduct special enquiries and make recommendations in respect of such subjects as public health or educational development or the organisation of social security. Prominent publicists have also given a great deal of attention to ways and means of advancing the economic development of the country with a view to raising the standard of living of the people. A group of industrialists have put forward what has since come to be widely known as the "Bombay Plan". Trade union organisations have also presented their proposals. It is beyond the scope of this Report to consider all or even most of these plans. A brief account of some of the more important of the proposals has been given elsewhere.[1] Reference will merely be made here to the main lines of policy, as indicated principally in the reports of the Reconstruction Committee of Council, relating to agricultural and industrial development, and more particularly to labour matters, as well as to plans which have been or are being given effect to by the

[1] See I.L.O.: *Wartime Labour Conditions and Reconstructruction Planning in India*. Studies and Reports, Series N S. 2 (Montreal, 1946).

provincial Governments, with the aid of the Central Government, in order to counteract any unemployment and deflation that might follow the cessation of wartime expenditure. A common basic policy for the comprehensive reorganisation of the entire agrarian framework and for planned industrial development, designed to bring about a substantial increase in production to three or four times its present level within a period of not more than 25 years, underlies all the principal plans.

A master plan proposing definite targets for the increase of agricultural production is embodied in a memorandum on the development of agriculture and animal husbandry in India prepared by a committee of the Imperial Council of Agricultural Research. The plan provides for an increase in production by 50 per cent. in 10 years and by about 100 per cent. in 15 years. The capital expenditure envisaged is 10,000 million rupees over the whole period of 15 years, and the recurring annual expenditure is 250 million rupees. The plan aims at the production of an adequate quantity of foods of all kinds for a balanced diet for the growing population and of raw materials for local industries and for export. It is proposed that agrarian reform for the purpose of bringing about the increase in production should include the stabilisation of the price of agricultural commodities at a level calculated to provide the necessary incentive for bringing additional land into cultivation and for the general grading up of the means and technique of production; crop planning on a national basis, reform of land tenure in so far as the existing system has proved to have a hampering effect on agricultural production, and measures to deal with absentee landlordism; the organisation of rural finance; and the establishment of a central authority for anti-erosion measures and measures to control plant and animal diseases, as well as land reclamation, afforestation or research projects of national importance.

The importance of a well-considered forest policy for agricultural development is fully appreciated, and the proposed policy aims at the rehabilitation of Government-managed forests to compensate for advance fellings during the war, the enforcement of measures to prevent erosion, and the extension of afforestation.

The development of fisheries, including the establishment of a central institute for research work on inland and marine

fisheries and training of personnel, and the promotion of facilities for conservation, storage, and transport are recommended.

It is proposed that the organisation of co-operative societies should be extended to enable them to deal not only with rural finance but also agricultural production, including dairying, and urban handicrafts and small-scale industries, the grading and marketing of goods of different kinds, the distributive trades, and the organisation of settlements in newly irrigated areas. The establishment of a central advisory board, consisting of representatives of the Central, provincial and State Governments, for the organisation of educational propaganda for the extension of the co-operative movement is also recommended.

The need for undertaking an educational campaign with the aid of broadcasting, films, gramophone records, exhibitions and social recreational activities for the purpose of inculcating a sense of social, national and international solidarity among the rural communities and of bringing about a change in their general outlook is particularly emphasised.

A detailed statement of policy concerning industrial development was issued by the Government of India in April 1945. This statement points out that although industrial development is a provincial subject under the Government of India Act, 1935, it is open to the Central Government to bring the development of specified industries under its control by declaration by law, if deemed expedient in the public interest. The Government of India Act had provided for such a contingency, and accordingly, subject to the final decisions being made in consultation with the provinces and States, it is proposed to bring the following industries under Central control and to take the necessary legislative measures for the purpose: iron and steel; manufacture of prime movers; automobiles and tractors and transport vehicles; aircraft; shipbuilding and marine engineering; electrical machinery; heavy machinery, such as textile, sugar, paper, mining, cement and chemical; machine tools; heavy chemicals and fine chemicals, chemical dyes, fertilisers and pharmaceutical drugs; electro-chemical industry; cotton and woollen textiles; cement; power alcohol; sugar; motor and aviation fuel; rubber manufacture; non-ferrous metals industry; electric power; coal; and radio-engineering.

The Government, it is stated, has decided to take positive steps to encourage and promote the rapid industrialisation of

the country to the fullest extent possible. In this process, heavy industries, which constitute the foundation of modern industrial life, must take high priority, while at the same time a balanced plan in which consumption goods will have a due place will need to be worked out. A main question to be considered in the determination of industrial policy is the extent to which the State should take part in industrial enterprise. In India, ordnance factories, public utilities, and railways are owned and operated by the State. The Government has also decided that the bulk generation of electric power should as far as possible be a State concern. Basic industries, including aircraft, automobiles and tractors, chemicals and dyes, iron and steel, prime movers, transport vehicles, electrical machinery, machine-tools, electro-chemical and non-ferrous industries may be nationalised if sufficient capital is not forthcoming. Manufactures, such as salt, in which the tax element is more important than the profit element may also be nationalised. The coal mining industry represents a special case which will have to be examined and dealt with separately. All other industries will be left to private enterprise under varying degrees of control. Industries of national importance such as shipbuilding and the manufacture of locomotives will be run by the State as well as by private interests. Normally, State enterprises will be managed by the State, but in special cases the possibility of management through private agencies for a limited period may have to be explored. In some cases, State enterprises may be operated through public corporations.

With a view to preparing the ground for industrial development, the Government has taken steps to ensure the co-ordinated development of transport facilities and the development of scientific and technical research. The Government will provide various forms of assistance to industry, and it will take power to institute a system of controls. Agricultural development will be undertaken almost wholly under the auspices of the State, because the bulk of the agriculturists are not in a position to provide the necessary capital; and machinery with provision for the representation of the various interests concerned will be set up, after necessary consultations, with the object of ensuring a reasonable standard of living for the workers, preventing excessive private profits, extending external and internal markets, avoiding the unhealthy concen-

tration of assets in monopolistic fashion, and providing sufficient facilities for technical training, particularly in the case of persons belonging to minority and less advanced groups.

In October 1946, the Government set up an Advisory Planning Board to review all the plans which had been put forward under official as well as unofficial auspices and to make recommendations for the further co-ordination and improvement of the arrangements for planning, the definition of objectives and allocation of priorities, and the development of the planning machinery to meet future needs. The report of the Board was published in January 1947. The recommendations of the Board included the following: the establishment of a full-time Planning Commission of three to five members directly responsible to the Cabinet as a whole, with a central statistical office attached to it, and of a consultative body composed of the members of the Commission and representatives of the provinces, States, industry, agriculture and other interests, to meet at regular intervals to discuss the Commission's proposals; a sufficient increase in agricultural production to meet the needs of food supply for the population and of raw materials for industry; the adoption of measures to prevent the increased agricultural output from falling in the hands of middlemen, the enactment of legislation for the development of large-scale industries for which a system of controls is required; and the comprehensive regulation, without delay, of the conditions of work in all industries. The Board's report stressed in particular the urgent need for action to overcome the great shortage in the country at the present time of all categories of trained technical personnel.

Finally, reference may be made to the provincial Governments' plans. The plans of the Central Government are designed to co-ordinate and supplement the projects of the provincial and Indian State Governments. Several provinces have published their own reconstruction projects, which as a rule provide for a 5-year plan of development concerning agriculture, public works, animal husbandry, fisheries, co-operation, forestry, public health, industries, education, and public administration. These plans are intended to pave the way for a succession of similar plans. At the time of writing, with the exception of the North-West Frontier Province, all the provincial Governments had selected the projects to which it was pro-

posed to give immediate effect. The proposed expenditure by provincial Governments on development plans during the two years 1945-1947 is 863.9 million rupees. These projects include a large number for the expansion of staff and for increasing the supply of trained personnel. Other aspects of development generally emphasised include the expansion of the agricultural and veterinary departments, hydro-electric and electricity projects, and irrigation, afforestation, soil-conservation, agriculture and fisheries projects.

Most, if not all of these measures and proposals would doubtless require to be modified as a result of the decision taken to establish two States in India in the area to which the Government of India Act of 1935 applied, but the information collected, and the spade work done, for the preparation of the plans for reconstruction by the Central, provincial and State Governments should be of immense benefit to the new Governments when they begin to apply themselves from 15 August 1947, the appointed date for their inauguration, to instituting measures for the amelioration of the economic condition and well-being of their respective peoples, in accordance with their declared aim and policy.

Siam's production of foodstuffs in excess of the immediate needs of its population places it in a fortunate position, since there is little likelihood in the immediate future of an abatement of the present demand for food imports in many parts of the world. In order to facilitate the transport of rice, high priority is being given to the repair of the transport system, which is being actively carried out. It was reported early in 1947 that a Bill would shortly be submitted to the National Parliament for the purpose of authorising the execution of the Chainat Dam project, which, by controlling the Chao Phya River, is expected to increase the cultivation of the central plain and make it possible to grow two crops of rice a year. The arrangements for the construction of the dam are well advanced; a team of engineers has been sent to the site to make detailed surveys, and 30 engineers have been chosen to go to the United States and study the operation of various dams. The proposed irrigation dam is the largest single construction project ever undertaken in Siam. It is estimated that it will cost 600 million baht and will take 7 years to complete, and orders have already been placed abroad for iron and steel equipment to the

value of over 160 million baht. More than 600 houses are to be built alongside the dam site for housing the workers to be employed on the work. Other projects of the Irrigation Department are being continued, though some have had to be curtailed and slowed down on account of the exigencies of the war.

The restoration of normal life in Burma has been the principal concern of the Government since its resumption of power at the end of the war. It is known, however, that during the war years the Government prepared various plans for the economic and social reconstruction of the country, designed to raise the standard of living of the people. It seems probable that these plans will be substantially recast before they are implemented, and declarations of policy made by the Government recently leave no doubt that it will devote considerable effort to the development of social policy.

In Ceylon, the economic depression during the inter-war period had already demonstrated the need for development, which was further emphasised by wartime experience. An economic development programme was adopted in 1935, calculated to promote the organisation of agriculture primarily for food production for the home market, the growth of secondary industries to meet the local demand, and a fuller use of the animal, fishery, forestry, and mineral resources of the country. A comprehensive post-war reconstruction plan dealing with agriculture, industry and commerce, labour, communications, public works, health, education, local administration, and home affairs, involving an estimated outlay of approximately 1,739 million rupees and a recurring annual expenditure of about 154 million rupees, is under consideration. The commencement of the war in the Far East upset the equilibrium of the employment market and an acute labour shortage was experienced for the first time. With the end of the war, however, efforts were made to absorb the men thrown out of employment into civilian employment.[1] It is stated that although these efforts have not proved wholly successful, large-scale unemployment has not as yet resulted, probably owing to the prevailing high prices for tea and coconut and the large demand for agricultural products. Instructions have been

[1] For example, by reinstating ex-servicemen in their civilian jobs, granting special concessions in respect of age, educational qualifications, etc., for admission to Government service, and providing facilities for further education and for the resettlement of disabled men.

issued by the Government for restarting work on various projects which were suspended during the war years and for intensifying work on others. These projects include a hydro-electric scheme and a number of irrigation works. The Town and Country Planning Ordinance of 1946 provides for the creation of a National Planning Commission to regulate land development and to prepare schemes for slum clearance and the construction of workers' houses. The Commission on Social Services, in its report issued in February 1947, recommended that the Government should adopt a policy of reducing expenditure on public works during a boom and increasing it in a depression.

Immediately after the liberation of Indo-China, the French Government drew up a 10-year plan for industrial development, which aims at augmenting very considerably the economic resources of the country by the establishment of power plants and of certain conversion industries (chiefly chemical and smelting), the extension of mining, and the organisation of public works. A 5-year plan to meet the more immediate requirements was also prepared, which envisages an expenditure of about 2,000 million piastres, mainly on public works, housing, education, and agriculture.

The policy of the Malayan Government is in the first place to restore pre-war economic conditions. This calls in particular for the repair of transport equipment, an increase in local food production, and the rehabilitation of the rubber, tin, and pineapple export industries. The Government plans to provide loans for rehabilitating the tin mining industry, which, together with the rubber industry, is considered basic to the economic recovery of the country. It was at first thought that the restoration of the 1941 level of tin production would be almost complete by the end of 1949, but owing to such difficulties as the shortage of trained supervisory personnel and skilled workers, the delay in imports of machinery, and the lack of transport equipment, the estimated period has been extended by a further two years. During 1943 and 1944, a rubber committee, composed of representatives of the Governments of the United Kingdom, the Netherlands, and the United States, drew up plans for securing rubber from South-east Asia immediately after the war, and orders for equipment for the Malayan rubber industry were placed in the United Kingdom and Australia.

A National Development Corporation has been established in the Philippines, which is financed by the Government and is in charge of the execution of reconstruction plans. Two large-scale industrial development programmes have been drawn up: one for short-term emergency reconstruction and development; and a more ambitious 5, 10, and 15-year programme for the co-ordinated development of the natural resources of the Philippine Islands and for the establishment of a wide variety of industries. The Corporation already controls a number of industries in and around Manila. Under the Philippine Rehabilitation Act of 1946 (sponsored by the United States), a total of 120 million dollars will be paid by the United States Government for the restoration of public property (a 4-year programme of construction and repair of highways, ports and harbours, public buildings and public health services). It is reported that the Government is also carrying out an extensive programme to improve the condition of both industrial and agricultural workers. Large estates are being broken up, the owners being suitably compensated. This scheme is, however, faced with several difficulties, not least among them being the heavy cost of making the land suitable for development by small farmers. The execution of the scheme is therefore expected to take several years.

A great deal of attention is thus being given to reconstruction planning in Asiatic countries in the Far Eastern region, although the immediate preoccupation in those areas which were under enemy occupation during the war is naturally the restoration of normal conditions. In these areas, no less than elsewhere, the war has had the effect of demonstrating the importance of economic development for the maintenance of political stability. Economic and social development may therefore be expected to assume a prominent place in the activities of the Governments concerned. Indeed, especially in several of the smaller countries of South-east Asia, such development is urgently necessary, for without a substantial increase in the volume of available employment, there will be little scope for the active pursuit of a progressive labour policy. The pressing need for action designed to bring about the amelioration of the economic condition of the masses was particularly emphasised in a report which the Asian Relations Conference, held

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at New Delhi in March-April 1947, adopted on the question of the transition from a colonial to a national economy.

Need for the Elaboration of Labour Policy

The current trends of reconstruction planning in Asiatic countries provide a sufficient indication of the importance of the economic and social developments which may be expected to result as the plans are gradually carried into effect. These developments will doubtless call for the elaboration of an appropriate labour policy. The formulation of such a policy is a continuing task in which each new situation is dealt with as it arises, the numerous problems involved are reviewed in detail, priorities are assigned, and a solution for each pressing problem is found in terms of the prevailing conditions, local, regional, and global. The present Conference provides a suitable opportunity to initiate the necessary discussions.

In the past, the International Labour Organisation has admittedly made a noteworthy contribution to the evolution of social policy in Asiatic countries. In his report on his visit to the East, the former Director of the International Labour Office, Sir Harold Butler, was able to state: "...the incipient labour codes of every Asiatic country bear plain traces of the inspiration derived from Geneva. Wherever I went, I found Government offices well supplied with the literature of the International Labour Office, and Ministers and officials responsible for labour matters anxious to preserve and develop their contact with it." Dr. T. K. Djang, Chief of the Bureau of Factory and Mining Inspection in the Chinese Ministry of Social Affairs, has observed: "As early as 26 February 1931, less than two months after the [Chinese Factory] Act was promulgated, the Ministry of Industries invited the International Labour Office to send experts on factory legislation and inspection to give technical assistance and advice on the organisation of factory inspection. A Mission ... accordingly visited China in the autumn of that year. They spent much time investigating industrial conditions in Shanghai and elsewhere and made valuable recommendations to the Ministry, considerably influencing the course of Chinese factory inspection... The International Labour Organisation gave much valuable assistance to the cause of the regulation of industrial condi-

tions in China at a time when its help was greatly needed." A similar tribute to the Organisation for its services to India was paid by the late Sir Bhupendra Nath Mitra, who was for a time Member in charge of Labour in the Viceroy's Council, when he publicly stated at a meeting in July 1934 in London that whatever improvement had taken place in the conditions of workers in India in recent years had been largely due to India's association with the International Labour Organisation. He also said that he was inclined to attribute to that connection even the appointment of the Royal Commission on Labour in India.

An account of the provisions of the International Labour Conventions and Recommendations which are in force in Asiatic countries represented at this Conference will be found in Report III, but the influence of the Organisation in these countries is not to be measured solely by legislation. That influence is to no small extent derived from the creation of a climate conge[illegible] to the methodical discussion of labour questions with the object of achieving concrete results on the basis of precise information. In the preceding chapters, an attempt has been made to provide a general survey of some of the main problems to be dealt with in the consideration of labour policy with special reference to the existing conditions in Asiatic countries. The problems raised may be usefully enumerated at this stage:

(1) Immediate measures for assistance by the public authorities to improve the condition of primary producers;

(2) The nature of international assistance required in respect of rural reconstruction;

(3) The formulation of a policy for improving the conditions of the primary producer by means of the co-operative movement, in particular:

- (*a*) the place of co-operation in social policy;
- (*b*) the possibilities and limitations of co-operative organisation;
- (*c*) the conditions of development of co-operative organisations;
- (*d*) relations between co-operative organisations and the public authorities;

(4) Special aspects of the organisation of the employment service;

(5) Possibilities of making arrangements in leading industrial countries for the training of Asiatic workers, and the principal points to be taken into account in making provision for such training abroad in the light of the wartime experience of the training of Chinese workers in the United States and Indian workers in the United Kingdom;

(6) The organisation of vocational training facilities;

(7) The regulation of the employment of children and young persons and of women, particularly in respect of:

(*a*) the admission of children and young persons to employment in different fields of economic activity, and the effective enforcement of the necessary regulations, including the organisation of administrative services;

(*b*) methods of maternity protection;

(*c*) measures to promote the general education and vocational training of women and to open to them in increasing measure occupations other than those involving rough and heavy work;

(*d*) measures for the protection of the health of women workers engaged in work involving considerable physical strain;

(*e*) adequate administrative arrangements for giving effect to a policy designed to promote the employment of women;

(8) The collection and compilation of statistical data on labour questions;

(9) Workers' housing;

(10) The organisation and regulation of industrial relations:

(11) The main problems concerning the enforcement of labour measures, including more particularly labour inspection.

To this list should be added the questions suggested in the reports on the other three items on the agenda. On many of these questions, as will be clear from the reports submitted by the Office to the present Conference, international regulations have been adopted. The main issue before regional conferences of this kind is to consider the steps to be taken to raise the existing local standards to the general international standards. The Conference to be held in China in 1948 provides a suitable opportunity to indicate these steps with some degree of precision. The present Conference might determine the questions which should be proposed for placing on the agenda

of the 1948 regional Conference. In the reports submitted to the present Conference, the Office has confined itself to drawing attention to the questions which seemed to call for special consideration in the light of local conditions and has refrained from attempting to lay down an order of priorities.

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