



Report

of the

Indian Tariff Board

(Cotton Textile Industry Enquiry)

1927

Volume I
REPORT

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APPENDIX I

TABLE I

List of cotton mills visited in Bombay and other centres

No.	Name of the mill	Date of visit
<i>Bombay</i>		
1	Tata Mill	3rd July 1926
2	Finlay Mill	5th " "
3	Spring Mill	6th " "
4	Jacob Sassoon Mill	7th " "
5	Khatau Makanji Mill	8th " "
6	Premier Mill	10th " "
7	Meyer Sassoon Mill	13th " "
8	Alexandra Mill	13th " "
<i>Sholapur</i>		
9	Lakshmi Cotton Manufacturing Company	28th July 1926
10	Vishnu Cotton Mill	28th " "
11	Sholapur Spinning and Weaving Company	29th " "
12	Jam Shri Ranjitsinghji Spinning and Weaving Mill	30th " "
13	Narsinggirji Manufacturing Company	30th " "
<i>Nagpur</i>		
14	Central India Spinning, Weaving and Manufacturing Company	5th August 1926
15	Model Mill	6th " "
<i>Ahmedabad</i>		
16	Raipur Mill	12th August 1926
17	The Fine Knitting Company	12th " "
18	Asoka Mill	12th " "
19	New Swadeshi Mill	13th " "
20	Asarwa Mill	13th " "
21	Ahmedabad Advance Mill	13th " "
22	Ahmedabad Jubilee Mill	14th " "
23	Ahmedabad Manufacturing and Calico Printing Company	14th " "
24	Aryodaya Spinning Mill	15th " "
25	Aryodaya Ginning Mill	15th " "
26	Marsden Mill	16th " "
<i>Madras</i>		
27	Carnatic Mill	20th September 1926
28	Madras United Spinning and Weaving Mill	24th " "
<i>Calcutta*</i>		
29	Kesoram Mill	30th September 1926
<i>Cawnpore</i>		
30	Juggilal Kamlat Mill	4th October 1926
31	Elgin Mill	5th " "
32	New Victoria Mill	5th " "
33	Cawnpore Cotton Mill	6th " "
34	Cawnpore Textile Mill	7th " "
<i>Delhi</i>		
35	Delhi Cloth and General Mill	9th October 1926
36	Birla Cotton Spinning and Weaving Mill	9th " "

* The Board also visited the Gaurepore Jute Mill and the Nadia Jute Mill on the 2nd October 1926.

No.	Name of the mill	Date of visit
<i>Amritsar</i>		
37	Bankteshwar Mill .. ..	.. 12th October 1926
38	Guru Ram Dass Mill .. ..	.. 12th " "

TABLE II

List of cloth markets visited

No.	Market	Date of visit
1	Mulji Jetha Cloth Market, Bombay ..	.. 14th July 1926
2	Maskati Cloth Market, Ahmedabad ..	.. 17th September 1926
3	Madras .. ..	.. 23rd " "
4	Calcutta .. ..	.. 1st October 1926 "
5	Cawnpore .. ..	.. 4th " "
6	New Delhi Cloth Market .. ..	.. 8th " "
7	Amritsar .. ..	.. 11th " "

TABLE III

List of institutes, etc., visited

No.	Name	Date of visit
1	Textile Institute, Madras .. ..	.. 23rd September 1926
2	" " Cawnpore .. ..	.. 7th October "
3	Bombay Development Directorate's Chawls, Worli, Bombay .. ..	.. 14th November "
4	Indian Central Cotton Committee's Technological Laboratory, Bombay .. ..	.. 21st December "
5	Victoria Jubilee Technical Institute, Bombay .. ..	.. 21st " "

APPENDIX II

Statements showing the progress of the cotton mill industry in India

APPENDIX

TABLE

Statement showing the progress of

Year ending 30th June	Number of mills working	Number of spindles	Number of looms	Number of mills not working	Number of spindles	Number of looms
1	2	3	4	5	6	7
1883-84	37	1,110,866	11,985	1	15,264	Nu
1884-85	46	1,322,390	12,011	Nu	Nu	Nu
1885-86	44	1,173,373	9,848	3	159,672	2,220
1886-87	49	1,325,136	11,453	Nu	Nu	Nu
1887-88	50	1,441,123	12,752	2	15,892	Nu
1888-89	50	1,555,696	12,671	3	49,084	709
1889-90	59	1,736,866	13,385	Nu	Nu	Nu
1890-91	64	1,881,855	14,347	1	6,868	Nu
1891-92	65	1,934,716	14,900	Nu	Nu	Nu
1892-93	64	1,957,150	16,664	3	84,058	Nu
1893-94	66	2,020,654	18,625	1	6,720	Nu
1894-95	68	2,123,892	20,217	Nu	....	..
1895-96	68	2,148,979	20,829	Nu	Nu	Nu
1896-97	68	2,070,537	21,287	Nu	Nu	Nu
1897-98	71	2,219,598	21,379	Nu	Nu	Nu
1898-99	74	2,338,697	22,209	Nu	Nu	Nu
1899-1900	73	2,300,247	18,153	5	209,824	4,062
1900-01	75	2,413,084	21,274	5	158,008	1,140
1901-02	75	2,421,081	21,705	2	45,336	1,140
1902-03	77	2,345,373	23,125	1	Nu	Nu
1903-04	76	2,471,750	24,136	3	62,480	Nu
1904-05	79	2,536,916	27,716	1	24,000	357
1905-06	82	2,614,323	28,778	Nu	Nu	Nu
1906-07	79	2,613,483	31,132	3	Nu	850
1907-08	79	2,653,875	34,565	5	48,528	772
1908-09	79	2,742,253	37,680	5	19,180	437
1909-10	77	2,727,940	41,494	9	96,106	437
1910-11	75	2,662,632	42,467	10	227,958	Nu
1911-12	79	2,805,172	43,088	5	80,280	300
1912-13	77	2,806,566	44,804	7	119,400	446
1913-14*	81	2,938,540	48,129	3	70,632	719
1914-15*	78	2,848,143	51,441	6	146,224	405
1915-16*	76	2,745,919	52,669	8	238,656	536
1916-17*	84	2,880,119	57,921	3	53,856	Nu

* Ending 31st

II

I

the cotton mill industry in Bombay (Kew)

Number of mills in course of erection	Number of spindles	Number of looms	Total number of mills	Spindles	Looms	Average number of hands employed daily	Approximate quantity of cotton consumed in bales of 392 lbs.	Year ending 30th June
8	9	10	11	12	13	14	15	16
6	100,616	NW	44	1,226,746	11,985	36,071	348,140	1883-84
6	25,000	NW	49	1,347,390	12,011	41,545	392,498	1884-85
8	55,728	NW	50	1,388,773	12,068	44,111	391,154	1885-86
6	121,508	710	55	1,446,644	12,163	43,270	453,614	1886-87
9	80,824	NW	61	1,537,839	12,752	47,789	500,004	1887-88
16	206,524	NW	69	1,811,304	13,380	52,490	563,730	1888-89
11	287,750	924	70	2,024,616	14,309	59,139	636,234	1889-90
2	100,400	800	67	1,989,123	15,147	61,981	762,562	1890-91
8	131,320	1,720	68	2,066,036	16,620	65,087	728,588	1891-92
2	22,400	NW	69	2,063,608	16,664	67,870	724,280	1892-93
2	49,000	NW	69	2,076,374	18,625	70,553	720,656	1893-94
1	31,568	NW	69	2,155,460	20,217	75,740	815,394	1894-95
7	61,640	506	75	2,110,619	21,335	78,455	849,678	1895-96
12	110,220	NW	80	2,180,757	21,287	69,530	702,756	1896-97
12	128,224	884	83	2,347,622	22,263	70,728	817,328	1897-98
10	164,302	NW	84	2,502,999	22,209	77,169	950,800	1898-99
4	95,172	NW	82	2,605,243	22,215	72,914	744,800	1899-1900
1	NW	NW	81	2,571,092	22,414	82,162	695,758	1900-01
8	57,352	NW	80	2,523,769	22,845	86,122	987,378	1901-02
2	23,900	NW	80	2,369,273	23,125	86,913	986,228	1902-03
NW	NW	NW	79	2,534,230	24,136	89,915	972,734	1903-04
1	28,848	NW	81	2,589,764	28,073	92,924	1,072,452	1904-05
2	NW	NW	84	2,614,323	28,778	100,798	1,141,264	1905-06
8	32,280	630	85	2,645,763	32,612	98,101	1,115,750	1906-07
2	32,280	630	86	2,734,683	35,967	101,536	1,079,194	1907-08
5	38,912	1,147	89	2,800,345	39,264	105,751	1,099,704	1908-09
8	NW	NW	89	2,824,046	41,931	104,550	984,058	1909-10
2	NW	NW	87	2,890,590	42,467	104,500	953,450	1910-11
2	NW	NW	86	2,885,452	43,388	109,691	1,077,618	1911-12
6	29,460	800	90	2,955,426	46,050	110,033	1,072,210	1912-13
1	50,000	1,800	85	3,059,172	50,648	109,860	1,078,038	1913-14*
2	50,000	1,800	88	3,044,367	53,646	111,924	1,026,050	1914-15*
2	50,000	1,800	86	3,034,575	55,005	118,303	1,066,174	1915-16*
1	NW	NW	88	2,933,775	157,921	125,713	1,134,814	1916-17*

August.

APPENDIX

Year ending 30th June	Number of mills working	Number of spindles	Number of looms	Number of mills not working	Number of spindles	Number of looms
	1	2	3	4	5	6
1917-18*	86	2,882,648	59,162	<i>Nu</i>	<i>Nu</i>	<i>Nu</i>
1918-19*	84	2,911,476	60,178	1	23,000	600
1919-20*	82	2,958,814	60,164	<i>Nu</i>	<i>Nu</i>	<i>Nu</i>
1920-21*	83	3,025,488	62,763	<i>Nu</i>	<i>Nu</i>	<i>Nu</i>
1921-22*	81	3,081,300	64,481	1	35,984	1,040
1922-23*	79	3,278,350	67,737	2	70,732	1,209
1923-24*	79	3,330,065	70,204	3	97,556	929
1924-25*	79	3,378,365	70,753	3	77,868	1,513

* Ending 31st

II—contd.

Number of mills in course of erection	Number of spindles	Number of looms	Total number of mills	Spindles	Looms	Average number of hands employed daily	Approximate quantity of cotton consumed in bales of 392 lbs.	Year ending 30th June
7	8	9	10	11	12	13	14	15
1	<i>Nil</i>	<i>Nil</i>	87	2,882,648	59,162	124,199	1,068,492	1917-18*
1	<i>Nil</i>	<i>Nil</i>	86	2,934,476	60,778	126,368	999,756	1918-19*
1	5,712	470	83	2,964,526	60,634	140,208	957,150	1919-20*
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	83	3,025,488	62,763	147,740	1,060,598	1920-21*
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	82	3,117,284	65,521	149,224	1,074,198	1921-22*
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	81	3,349,082	67,373	148,771	1,059,680	1922-23*
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	82	3,427,621	71,133	148,414	821,466	1923-24*
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	82	3,456,233	72,266	153,009	894,732	1924-25*

August.

TABLE
Statement showing the progress of the

Year ending 30th June	Number of mills working	Number of spindles	Number of looms	Number of mills not working	Number of spindles	Number of looms
1	2	3	4	5	6	7
1883-84	68	1,838,911	16,162	1	15,264	Nil.
1884-85	83	2,099,346	16,437	Nil.	Nil.	Nil.
1885-86	86	2,227,464	15,060	5	171,736	2,395
1886-87	94	2,272,982	17,576	Nil.	Nil.	Nil.
1887-88	95	2,462,497	19,145	3	26,354	Nil.
1888-89	99	2,654,592	20,652	4	62,824	909
1889-90	111	2,971,510	23,408	Nil.	Nil.	Nil.
1890-91	121	3,187,302	23,927	1	6,868	Nil.
1891-92	125	3,320,984	24,719	3	46,148	300
1892-93	125	3,322,071	27,427	6	146,598	260
1893-94	133	3,592,238	30,618	2	18,762	211
1894-95	137	3,722,116	34,661	1	12,042	211
1895-96	144	3,895,602	36,764	Nil.	Nil.	Nil.
1896-97	149	4,003,457	37,165	2	23,986	419
1897-98	153	4,011,383	36,323	4	53,673	517
1898-99	167	4,549,791	38,155	4	55,300	464
1899-1900	170	4,591,568	35,259	13	327,395	4,868
1900-01	176	4,747,380	39,359	11	259,586	1,821
1901-02	178	4,841,313	40,511	6	98,660	1,829
1902-03	181	4,946,811	43,839	4	50,240	75
1903-04	183	5,003,737	45,037	7	114,384	300
1904-05	191	5,122,474	49,506	3	41,012	633
1905-06	194	5,226,957	52,068	3	20,446	88
1906-07	199	5,270,175	57,546	5	33,944	1,516
1907-08	218	5,662,332	66,230	7	50,192	860
1908-09	224	5,936,395	74,495	9	35,844	748
1909-10	222	5,988,317	81,295	21	207,354	1,430
1910-11	217	5,943,634	82,965	26	413,826	2,387
1911-12	233	6,094,642	85,801	19	369,287	3,150
1912-13	236	6,320,028	92,487	23	276,834	1,649
1913-14*	240	6,484,691	101,022	21	294,204	3,157
1914-15*	240	6,446,266	106,067	23	402,478	1,942
1915-16*	237	6,347,422	107,803	25	492,455	2,065
1916-17*	238	6,466,381	112,144	22	272,316	2,477
1917-18*	249	6,562,637	115,818	9	91,234	636

* Ending 31st

II
 cotton mill industry in India

Number of mills in course of erection	Number of spindles	Number of looms	Total number of mills	Number of spindles	Number of looms	Average number of hands employed daily	Approximate quantity of cotton consumed in bales of 362 lbs.	Year ending 30th June
8	9	10	11	12	13	14	15	16
13	147,492	100	82	2,001,667	16,262	60,287	531,365	1883-84
7	46,300	100	90	2,145,646	16,537	67,186	596,749	1884-85
4	55,728	<i>Nil.</i>	95	2,454,928	17,455	74,383	643,204	1885-86
9	148,308	960	10	2,421,290	18,536	76,042	726,276	1886-87
16	150,920	351	114	2,69,771	19,496	82,379	786,982	1887-88
20	251,626	<i>Nil.</i>	123	2,969,042	21,561	91,598	888,654	1888-89
25	431,642	1,528	136	3,403,152	24,936	102,721	1,008,462	1889-90
12	237,524	1,404	134	3,431,694	25,331	111,018	1,178,906	1890-91
11	166,420	2,145	139	3,533,552	27,164	116,161	1,165,938	1891-92
10	129,648	477	141	3,598,317	28,164	121,500	1,171,008	1892-93
7	87,736	325	142	3,698,736	31,154	130,461	1,222,508	1893-94
10	107,339	466	148	3,841,497	35,338	138,669	1,341,714	1894-95
26	147,204	731	170	4,042,806	37,495	145,432	1,409,318	1895-96
39	242,816	<i>Nil.</i>	190	4,270,259	37,584	144,335	1,300,936	1896-97
32	315,504	1,173	189	4,380,560	38,013	148,964	1,481,328	1897-98
25	328,052	1,414	205	4,933,143	40,033	162,108	1,675,180	1898-99
10	22,709	442	193	4,941,672	40,569	161,189	1,453,352	1899-1900
6	30,200	100	193	5,037,166	41,280	172,883	1,351,740	1900-01
8	92,492	300	192	5,032,465	42,640	181,031	1,765,038	1901-02
7	46,244	178	192	5,043,295	44,092	181,399	1,739,340	1902-03
1	18,000	<i>Nil.</i>	191	5,136,121	45,337	184,779	1,744,766	1903-04
8	50,096	<i>Nil.</i>	197	5,213,582	50,139	195,277	1,879,244	1904-05
20	208,961	2,212	217	5,456,364	54,368	208,616	2,023,516	1905-06
20	266,316	3,760	224	5,570,435	62,822	205,666	1,980,170	1906-07
16	182,400	2,798	241	5,894,924	69,886	221,195	1,991,500	1907-08
26	197,868	3,165	259	6,170,107	78,408	236,924	2,109,000	1908-09
20	167,352	2,300	263	6,363,023	85,025	233,624	1,935,010	1909-10
18	36,216	1,800	261	6,393,676	87,152	230,649	1,905,866	1910-11
16	35,896	1,839	268	6,490,825	90,790	243,637	2,050,102	1911-12
13	29,460	800	272	6,626,322	94,936	253,788	2,096,016	1912-13
10	104,500	2,400	271	6,883,395	106,579	260,276	2,143,126	1913-14*
9	73,000	2,400	272	6,921,744	110,409	265,346	2,102,632	1914-15*
4	50,000	1,800	266	6,889,877	112,068	274,361	2,197,718	1915-16*
3	<i>Nil.</i>	<i>Nil.</i>	263	6,738,697	114,618	276,771	2,198,164	1916-17*
4	<i>Nil.</i>	<i>Nil.</i>	262	6,653,871	116,454	282,227	2,085,678	1917-18*

August.

TABLE

Year ending 30th June	Number of mills working	Number of spindles	Number of looms	Number of mills not working	Number of spindles	Number of looms
1	2	3	4	5	6	7
1918-19* ..	250	6,642,048	117,385	6	47,632	836
1919-20* ..	242	6,715,128	118,297	8	47,948	715
1920-21* ..	245	6,845,824	123,544	5	24,980	239
1921-22* ..	249	7,277,571	133,544	5	53,648	1,076
1922-23* ..	280	7,580,405	140,455	12	171,681	2,373
1923-24* ..	274	7,851,104	146,453	15	270,751	2,941
1924-25* ..	275	8,092,801	148,612	19	264,520	4,337

* Ending 31st

II—*contd.*

Number of mills in course of erection	Number of spindles	Number of looms	Total number of mills	Number of spindles	Number of looms	Average number of hands employed daily	Approximate quantity of cotton consumed in bales of 392 lbs.	Year ending 30th June
8	9	10	11	12	13	14	15	16
2	<i>Nil.</i>	<i>Nil.</i>	258	6,689,680	118,221	293,277	2,044,230	1918-19*
3	5,712	470	253	6,768,788	119,482	311,078	1,952,318	1919-20*
7	25,000	<i>Nil.</i>	257	6,895,604	123,783	332,179	2,120,230	1920-21*
44	245,000	2,800	298	7,576,219	137,420	343,723	2,203,540	1921-22*
41	195,852	1,966	333	7,927,938	142,462	347,390	2,151,698	1922-23*
47	191,418	2,091	336	8,313,273	151,485	356,887	1,917,748	1923-24*
43	152,312	1,071	337	8,510,633	153,020	367,877	2,226,310	1924-25*

August.

APPENDIX

Statement showing the production, imports and

Years	Imports of yarn	Re-exports of yarn	Net imports of yarn (2-3)	Indian production
1	2	3	4	5
	lbs. (million)	lbs. (million)	lbs. (million)	lbs. (million)
1899-1900	42.6	5.5	37.1	514
1900-01	34.8	4.7	30.1	353
1901-02	38.3	6.7	31.6	573
1902-03	33.7	5.8	27.9	576
1903-04	28.0	4.9	23.1	579
1904-05	30.6	5.2	25.4	578
1905-06	45.8	5.0	40.8	681
1906-07	37.7	5.5	32.2	654
1907-08	37.3	6.6	30.7	638
1908-09	41.5	6.5	35.0	658
1909-10	40.3	5.6	34.7	628
1910-11	32.5	5.4	27.1	610
1911-12	42.0	7.3	34.7	625
1912-13	50.0	9.3	40.7	688
1913-14	44.2	8.3	35.9	683
1914-15	42.9	8.9	34.0	652
1915-16	40.4	8.7	31.7	722
1916-17	29.5	6.7	22.8	681
1917-18	19.4	6.1	13.3	661
1918-19	38.1	6.1	32.0	615
1919-20	15.1	7.2	7.9	636
1920-21	47.3	3.6	43.7	660
1921-22	57.1	3.6	53.5	694
1922-23	59.3	6.3	53.0	706
1923-24	44.6	5.1	39.5	617
1924-25	55.9	5.4	50.5	719
1925-26	51.6	1.0*	50.6	686

* Figures for exports and re-exports by sea

III

exports of yarn during the period 1899-1900 to 1925-26

Exports of Indian yarn	Net consumption of Indian mill production (5-6)	Total Indian consumption (4+7)	Yarn consumed in mills for production of woven goods assuming 100 lbs. of yarn = 112 lbs. of cloth	Balance of yarn available for consumption in handloom industry (8-9)	Population	Consumption of yarn per capita
6	7	8	9	10	11	12
lbs. (million)	lbs. (million)	lbs. (million)	lbs. (million)	lbs. (million)	lbs. (million)	lbs. (million)
244	270	307	87	220	292	1'06
122	231	261	88	173	294	'88
278	295	327	107	220	295	1'10
255	321	349	110	239	297	1'17
260	319	342	123	219	299	1'14
256	322	347	142	205	301	1'15
305	376	417	146	271	302	1'38
251	403	435	148	287	305	1'42
223	415	446	169	277	307	1'45
242	416	451	171	280	309	1'42
234	394	429	204	225	311	1'37
191	419	446	220	226	313	1'42
161	464	499	238	261	315	1'53
215	473	514	254	260	315	1'63
207	476	512	245	267	316	1'62
143	509	543	247	296	316	1'71
168	554	586	314	272	317	1'84
178	503	526	337	189	317	1'65
130	531	544	340	204	317	1'71
73	542	574	312	262	318	1'81
161	475	483	343	140	318	1'51
89	571	615	328	287	319	1'92
88	606	660	361	299	319	2'06
64	642	695	362	333	319	2'17
46	571	611	359	252	320	1'90
46	673	724	410	314	320	2'26
32*	654	705	415	290	320	2'20

only are available for the year 1925-26.

APPENDIX

Statement showing the production, imports and exports of cotton piecegoods, both

Years	Imports of foreign piecegoods	Re-exports of foreign piecegoods	Net imports (2-3)	Production
				Mills*
1	2	3	4	5
	yards (million)	yards (million)	yards (million)	yards (million)
1899-1900	2,191	138	2,053	419
1900-01	2,003	128	1,875	422
1901-02	2,190	148	2,042	511
1902-03	2,107	121	1,986	524
1903-04	2,033	130	1,903	589
1904-05	2,288	136	2,152	678
1905-06	2,463	128	2,335	700
1906-07	2,318	125	2,193	708
1907-08	2,531	130	2,401	808
1908-09	1,992	122	1,870	824
1909-10	2,193	123	2,070	964
1910-11	2,308	146	2,162	1,043
1911-12	2,438	176	2,262	1,136
1912-13	3,022	175	2,847	1,220
1913-14	3,197	155	3,042	1,164
1914-15	2,445	118	2,327	1,136
1915-16	2,148	129	2,019	1,442
1916-17	1,933	162	1,771	1,578
1917-18	1,555	150	1,405	1,614
1918-19	1,122	167	955	1,451
1919-20	1,081	145	836	1,640
1920-21	1,510	105	1,405	1,581
1921-22	1,090	110	980	1,732
1922-23	1,593	126	1,467	1,725
1923-24	1,486	112	1,374	1,702
1924-25	1,823	113	1,710	1,970
1925-26	1,564	35†	1,529	1,954

* Figures of yardage of coloured piecegoods

† Derived from column 10 of Appendix III on the

‡ Figures for exports and re-exports by sea only

IV

foreign and Indian, to and from India during the period 1899-1900 to 1925-26

of piecegoods in India		Exports of Indian piecegoods	Balance of Indian piecegoods available for con- sumption (5-6)	Balance of foreign and Indian piecegoods available for con- sumption (4+7)	Population	Consumption per capita
Handloom†	Total						8	9	10	11	12
yards (million)	yards (million)	yards (million)	yards (million)	yards (million)	(million)	yards
880	1,303	112	1,191	3,244	292	11.10
992	1,114	111	1,003	2,878	294	9.80
880	1,391	120	1,271	3,313	295	11.23
980	1,484	109	1,375	3,361	297	11.31
872	1,461	125	1,336	3,239	299	10.88
828	1,506	135	1,371	3,523	301	11.70
1,084	1,784	129	1,655	3,990	302	13.21
1,148	1,856	115	1,741	3,934	305	12.89
1,108	1,916	112	1,804	4,205	307	13.69
1,116	1,940	113	1,827	3,697	309	11.96
896	1,860	126	1,734	3,804	311	12.23
908	1,951	134	1,817	3,979	313	12.71
1,044	2,180	118	2,062	4,324	315	13.72
1,040	2,280	125	2,135	4,982	315	15.81
1,068	2,232	130	2,102	5,146	316	16.28
1,184	2,320	110	2,210	4,537	316	14.35
1,048	2,490	161	2,329	4,348	317	13.37
816	2,394	309	2,085	3,856	317	12.16
812	2,426	234	2,192	3,597	317	11.34
1,048	2,499	187	2,312	3,267	318	10.27
564	2,204	239	1,965	2,801	318	8.80
1,148	2,729	170	2,559	3,964	319	12.42
1,190	2,922	187	2,735	3,715	319	11.64
1,341	3,066	186	2,880	4,347	319	13.62
1,005	2,707	201	2,506	3,880	320	12.12
1,256	3,226	230	3,096	4,806	320	15.01
1,160	3,114	164†	2,950	4,479	320	13.99

were not available prior to 1906-07.
assumption that 4 yards of cloth are produced per lb. of yarn,
are available for the year 1925-26

APPENDIX V
Financial position of the Bombay Cotton Mill Industry

Year	Capital paid up		Reserves including carry forward	Original cost of buildings and machinery	Lead buildings and machinery after depreciation	Annual depreciation written off	Net profit or loss	Dividend	Percentage of dividends to paid-up capital	Reserves	Provident fund	Carry forward	Number of mills
	Rs.	Rs.											
1	2	3	4	5	6	7	8	9	10	11	12	13	13
1917 ..	7,65,67,395	2,36,35,705	17,98,21,456	12,12,46,916	85,65,834	3,02,00,860	1,69,62,045	22.2	80,96,030	1,07,893	50,40,892	63	
1918 ..	8,10,45,715	8,49,59,777	19,62,79,733	12,76,21,853	87,87,903	2,28,07,546	1,91,95,613	23.7	88,23,022	48,692	2,59,731	64	
1919 ..	9,40,10,530	8,78,77,058	20,94,82,990	12,99,11,504	1,44,93,246	6,15,66,648	3,77,20,074	40.1	1,90,86,873	2,06,414	46,03,287	67	
1920 ..	16,98,67,486	6,59,25,223	33,50,46,254	23,70,83,186	1,63,75,086	10,10,63,174	5,98,15,856	35.2	3,18,18,035	3,02,519	91,28,764	80	
1921 ..	17,83,11,137	9,80,94,780	38,08,54,759	26,23,30,072	1,81,78,737	8,46,44,605	5,34,78,623	80.0	3,32,80,455	3,97,813	24,32,286	80	
1922 ..	17,96,28,908	12,44,45,090	42,94,89,978	29,54,90,301	1,38,41,130	8,87,51,591	2,94,44,334	16.4	1,89,03,308	63,402	45,60,453	80	
1923 ..	19,18,62,213	13,98,14,803*	46,54,95,302	30,71,58,766*	1,81,82,222*	1,23,13,117*	93,69,467	4.9	6,72,022	.....	12,10,492*	81
1924 ..	19,28,15,938	12,13,10,342*	46,76,48,463	30,15,80,391*	1,83,54,013*	2,47,77,106*	60,84,686	3.2	63,67,302	.....	2,39,64,490*	79
1925 ..	19,20,96,278	10,45,82,674*	46,72,00,686	29,09,59,014*	1,83,86,851*	2,87,64,573*	43,11,000	2.2	63,41,659	.....	2,67,33,900*	79

Note.—*Italics indicate—*

Column 7 Net loss.
10 Withdrawals from reserves.
11 Balance loss carried forward.
12 Balance loss carried forward.

The figures for 1923, 1924 and 1925 marked * are arrived at after making full allowances for depreciation on buildings and machinery.

APPENDIX VI
Financial position of the Bombay Cotton Mill Industry

Year	Capital paid up	Reserves including carry forward	Original cost of land, buildings and machinery	Land, buildings and machinery after depreciation	Depreciation on buildings at 2 per cent. and machinery at 5 per cent. on original cost	Net profit or loss	Dividend	Percentage of dividends to original cost of land, buildings and machinery	Reserves	President fund	Carry forward	Number of mills
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	2	3	4	5	6	7	8	9	10	11	12	13
1917	7,65,67,895	2,96,85,705	17,93,21,456	12,24,41,002	73,71,848	3,14,00,946	1,69,62,045	9.4	80,96,030	1,07,898	62,34,978	63
1918	8,10,45,715	3,49,59,777	19,53,73,733	12,63,98,989	80,15,772	2,35,79,682	1,91,95,613	9.8	35,23,022	48,692	5,12,355	64
1919	9,40,10,530	3,78,77,058	20,64,82,990	13,47,88,497	85,92,253	6,74,48,841	3,77,20,074	18	1,90,36,878	2,05,414	1,04,80,280	67
1920	16,98,97,485	6,53,24,223	33,50,49,254	24,07,10,334	1,27,57,918	10,46,80,322	6,98,15,856	17.8	3,18,18,035	3,02,519	1,27,43,912	80
1921	17,83,11,137	9,90,94,780	38,06,54,759	26,56,35,232	1,46,73,577	8,81,49,765	5,34,78,623	14	3,32,60,455	3,37,313	10,72,874	80
1922	17,98,28,996	12,44,45,090	42,94,89,978	29,25,37,600	1,67,98,840	3,57,98,890	2,94,44,334	9.8	1,98,03,808	63,402	75,12,154	80
1923	19,18,62,213	13,98,14,803	46,54,95,302	30,71,58,766	1,81,82,222	1,5,13,177	93,69,487	2	9,72,092	.....	2,12,10,492	81
1924	19,28,15,936	13,13,10,342	46,76,48,463	30,15,88,391	1,88,54,013	2,45,77,106	60,84,686	1.8	63,67,302	.....	2,39,94,400	79
1925	19,20,96,278	10,45,82,674	46,72,00,686	29,63,59,044	1,85,89,851	2,87,64,573	43,11,006	.9	63,41,589	.....	2,67,33,900	79

Note.—Italics indicate—
Column 7 Net loss
" 10 Withdrawals from reserves
" 12 Balance loss carried forward.

APPENDIX VII

The plight of new England's textile industries

(Reprint from "The Economist" dated 23rd and 30th October 1926)

I

PEOPLE who cherish the idea that the United States presents an unbroken sea of prosperity from Cape Cod to San Diego might revise their opinions after a study of the conditions in the area known as New England, which comprises the States of Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, and Connecticut. After the primary stage of pioneer settlement had passed, New England attained wealth and prosperity through her ships, her fishing industry and her lumber trade, and when these declined she became the chief seat of manufacturing industry in the Republic. For many years the bases of her economic life have been the boot and shoe and cotton and woollen industries, and for one hundred years in each of these she was the dominant factor. The boot and shoe industry of New England, although nowadays it only produces one-half of the footwear made in the United States, is still in a reasonably prosperous condition, but her two great textile industries are faring less fortunately.

She still produces one-half of the output of woollen goods of America, and possesses one-third of the country's cotton mills, but neither industry is in a satisfactory condition, although both are protected by high tariffs against foreign competition. Undoubtedly the cotton industry is in the worse plight. Every week there is recorded the failure of one or two mills, or the bankruptcies of several houses engaged in some correlative line of enterprise either as carders, converters, jobbers, or wholesalers. Others that have escaped bankruptcy show very serious decreases in their profits; for instance, one of the largest mill groups declared in its recent financial report that it had incurred a loss of \$520,819 in 1925, and an additional loss of \$202,709 in the first half of 1926. As a result, the banks have been very chary about lending support to cotton firms, and the weaker mills are in constant financial difficulties. Investors, following the lead of the banks, are fighting shy of purchasing textile stocks whose prices have been falling sharply; stocks of one mill which had a market value of \$165 a few years ago are now appraised only at \$2 each. Very few of the mills are paying dividends out of their earnings, and corporations which a few years back at the height of the war-time boom were distributing stock dividends of 100 per cent. are now paying 1 per cent., or scraping up low dividends from their accumulated surpluses.

Fall River and New Bedford have between them 7,440,000 spindles, almost one-fifth of all the spindles in the United States, and the Boston *Herald* recently carried the following item:—

"A survey of the cotton mills in New Bedford indicates that the plants were operating approximately 70 to 75 per cent. of their normal capacity in the weaving departments, with the spinning departments falling 20 to 25 per cent. below this level; mill authorities in Fall River placed production at slightly more than 50 per cent. of the normal".

Cotton, a trade publication, reports that in Fall River, in 1925, only '68 per cent. was paid by 14 out of 37 corporations, the lowest average since 1912, and last June the Boston *Globe* reported that for the New Bedford mills the "average yield per share for the quarter on a capitalisation of \$70,028,100 is approximately \$1.18, or less than \$5 for the year. Returns for the half-year are the smallest in more than ten years."

A census of Fall River taken last June revealed a loss of 2,000 in population, and an increase in empty tenements of over 900. In Lawrence, another cotton textile centre, a local paper on July 3rd printed an assessor's survey, which showed that of the 36,000 people normally employed in local textile industries there were at that time 9,000 totally unemployed and 4,000 more on part time. But yet the fact remains that, despite this serious depression in New England's cotton industry, there has been no real decrease of spinning activity in the United States for the simple reason that there has been an enormous expansion of the cotton industry in the Southern States.

The *American Wool and Cotton Reporter* of April 15th last tells something of the story in the following passage:—"In 1897 there were less than 4,000,000 cotton spindles in the South, with an investment of approximately \$100,000,000, and giving employment to 50,000 people. To-day there are more than 1,200 mills in that section, with 17,180,302 spindles, representing an investment of more than \$1,000,000,000, and giving employment to over 300,000 operatives..... Within the past quarter of a century the Southern industry has increased 318 per cent. as compared to only 40 per cent. in the older New England industry. And this growth has been continuous, for approximately 530,000 spindles were installed in Southern mills in 1925 as compared to 400,000 in 1924."

In competition with New England the South has many advantages. The average tax levied in Alabama is only \$1.55 per \$100, against \$2.54 for Massachusetts, \$2.51 for New Hampshire, and \$2.13 for Rhode Island, and Alabama points the moral with an advertisement headed, "Move that mill down South to Alabama, then pay your dividends from taxes saved."

In addition, the South offers a much lower scale of wages and labour laws, which place no obstacles to continuous operation of factories night and day. Massachusetts, on the other hand, has a law which restricts women and minors to a 48-hour week, and absolutely forbids the employment of a woman after 6 p.m., whether or not she has worked at all during the day.

It happens, however that New England has to a certain extent been the architect of her own decline, for she has been exporting capital in large quantities to build up the mills of the South. To-day most of the great New England textile corporations have Southern branches, and the Alabama Power Company recently carried the following full-page advertisement in a textile paper. It was headed, "What a relief," and said:—

"Now that the _____ Manufacturing Company has started operations in Alabama, what a relief they must find it to be able to experiment freely with economic methods of production. What a relief to be confident of workmen amenable to any proposed changes, and eager to co-operate in any measures, whether this means operating 20 looms or 40 to the operative."

Labour in the Southern mills is mainly drawn from the black or poor white population, and it is largely unorganised. On the other hand, in most of the New England textile towns the trades union spirit is strong, and time and again the workers have struck when millowners attempted to meet the lower Southern prices by making each operative tend more machines. When one such strike took place recently, the mill-owners promptly announced that they intended to rush work on a new factory in Alabama which they were constructing and fill their orders there.

But other factors beside Southern competition are responsible for the slump in the New England cotton industry. During the war and post-war boom the cotton manufacturers allowed their industry to undergo an extravagant expansion, and they failed to equip their organisations to meet changed demands and styles after the war. The over-expansion was the result of a mad race for production supremacy among cotton manufacturers which began about 1912, and only the artificial prosperity created by the war prevented the present depression from making itself felt sooner. The high wages which prevailed in every American industry, even remotely connected with the war from 1914 onwards generated a huge purchasing power, and many manufacturers were misled into the belief that the tremendous market which was thereby created would be permanent. This abnormal market took up the surplus of over-production, and encouraged further expansion, but when the post-war adjustments had to be made, wages returned to a more normal level, and the abnormal purchasing power disappeared, with the result that the market, for which provision had been made in the way of production, could not absorb the quantity of goods offered it.

At the same time, there was a radical change in the class of goods demanded. Women, for instance, instead of fulfilling hopes that they would return to the use of longer skirts, and increase the consumption of cotton, practically abandoned cotton for clothing purposes, and turned to silk or artificial silk because it was more luxurious and not much more expensive. Manufacturers did not sufficiently appreciate the effect of these changes in fashion, and mills found themselves carrying heavy stocks. Wholesalers and jobbers were also confronted with a retail market which had been upset by these changes, and retailers, loaded up with stocks for which there was no longer a brisk demand, were uncertain what the consuming public would next order. So they began a policy of hand-to-mouth buying, and this, of course, retarded the consumption of the excess stock held in the mills. Orders for new types of goods came in, but they were mostly in small lots, and production costs were accordingly increased. This practice of small lot manufacturing had the effect of raising retail prices, and now the cotton men are disposed to allocate part of the blame for their distress upon the retail merchants who, they assert, have kept the prices of cotton goods at so high a level that the public has found it profitable to use silks.

II

There has been in New England a strange conservatism about business methods, which is in striking contrast to the policy pursued by the textile leaders in the Southern States. There a strong spirit of co-operation prevails in the cotton industry, and through different organisations the manufacturers have been studying the market and creating new fields for cotton sales. One proof of this is to be found in the streets of Southern cities, where a new cotton hot-weather suit has virtually displaced the old type of linen clothing. There are also plans afoot for starting fashion shows all over the South to persuade women to

return to the use of cotton, and the possibilities of every foreign market have been carefully explored. In New England it has been suggested as a remedy for the local industries that the cotton mills should join in purchasing the plants of the textile machinery companies, and put an end to further expansion of the industry in the South by curtailing machinery sales.

The tariff issue also enters into the situation, and most cotton manufacturers, while desiring to maintain or increase their own schedules, are now anxious for a reduction of the tariff on everything but cotton products. They are inspired to this attitude by the belief that a lower tariff would decrease the living expense of workers and make labour cheaper; but it is doubtful if this hope will be realised, for the average wages of a cotton textile worker are, if anything, lower than in other industries. The tariff certainly has had the effect of keeping back an inflow of imported goods which would probably have completely wrecked the New England cotton industry, but to-day most of the cotton goods imported into the United States are of a class not manufactured in the Republic, and even their volume is decreasing, for there was a drop of 50 per cent. in cotton imports into the United States during the first half of 1926.

Involved as it is in these difficulties, the cotton industry now looks for succour to an organisation known as the Cotton Textile Institute, which has recently been formed by a group of textile men representing all branches of the industry in both the North and the South. It is a co-operative organisation, framed on the model of the Steel Institute, and has for the main object of its existence the scientific study of the textile market and the dissemination of useful trade information among its members. It was formed at the suggestion of Mr. Hoover, the Secretary of Commerce, and is enrolling members in the expectation that it will bring under its aegis half of the 38,000,000 spindles in the cotton industry. Each spindle will be assessed at 1 cent, which would give the association a working capital of at least \$180,000. For its president and director there will be chosen some outstanding figure who is not connected with the cotton trade, and he will be endowed with almost autocratic powers.

The position was offered to Secretary Hoover himself, but he declined, and now the founders of the institute are contemplating an offer either to Mr. Owen D. Young, of the General Electric Company, or to Mr. J. A. Perkins, of the Farmers' Loan and Trust Company, of New York. There are some cotton men in New England who scoff at the idea of the institute, and assert that the problem of improving the cotton industry is for the individual mills to solve. There are other manufacturers in the South who look upon the organisation as an attempt to enlist the South for the salvation of the North, and they contend that the New England cotton industry is on its last legs, and might as well be allowed to languish to complete ruin. At present the South has its own cotton institute, which is doing on a small scale what the new textile institute hopes to accomplish with a more elaborate programme, and it is apparent that many Southern spinners will await results before they join the larger institution. But all the portents point to great difficulties in reviving the cotton industry of New England, and it is freely prophesied that within a few years cotton manufacture will be largely controlled in the Southern States, which already have 45 per cent. of the looms in the industry, and are producing about 65 per cent. of the nation's cotton goods.

APPENDIX VIII

Statement showing the progress of the cotton mill industry in Japan

Years	Com- panies	Mills	Capital		Reserve Funds
			Authorized	Paid-up	
			Yen.	Yen.	
1903	51	..	38,555,400	34,029,216	5,123,892
1904	49	..	37,125,400	33,486,730	6,888,594
1905	49	..	40,082,350	33,563,700	9,531,622
1906	47	..	45,403,350	38,433,350	15,386,948
1907	42	118	90,036,300	57,531,125	20,966,234
1908	36	125	85,511,300	58,397,385	22,189,614
1909	31	134	75,871,800	64,501,000	22,784,470
1910	36	136	94,271,300	67,516,013	24,658,967
1911	34	139	89,180,150	64,374,164	24,788,872
1912	41	147	105,136,400	72,366,495	28,538,314
1913	44	152	113,036,401	86,444,059	33,803,119
1914	42	157	109,676,400	85,820,424	36,639,349
1915	41	161	110,176,400	86,011,677	38,663,064
1916	40	161	137,290,150	99,641,818	48,952,381
1917	43	170	162,830,150	115,623,020	70,037,275
1918	43	177	192,877,650	138,494,595	92,426,047
1919	54	190	221,927,650	165,758,695	139,073,869
1920	56	198	394,327,650	276,535,896	165,697,053
1921	61	217	429,577,650	295,648,358	182,040,774
1922	64	235	462,107,650	317,148,075	202,774,376
1923	60	228	463,977,650	323,787,485	211,298,943
1924	56	232	512,362,500	349,820,568	212,871,930
1925	54	230	509,213,000	351,805,000	221,778,000

Years	Number of Spindles			Doubling Spindles	Looms
	Riag	Mule	Total		
1903	1,295,086	86,220	1,381,306	126,976	5,043
1904	1,260,365	85,220	1,345,585	121,076	5,085
1905	1,343,534	83,060	1,426,594	134,840	8,140
1906	1,395,013	77,240	1,472,253	136,866	9,601
1907	1,492,032	48,420	1,540,452	154,789	9,462
1908	1,743,921	51,958	1,795,879	177,860	11,146
1909	1,903,854	51,038	1,954,892	227,574	13,813
1910	2,044,234	55,430	2,099,764	282,186	17,702
1911	2,117,756	53,040	2,170,796	286,410	20,431
1912	2,125,000	51,748	2,176,748	317,324	21,898
1913	2,365,094	49,405	2,414,499	320,912	24,224
1914	2,606,004	51,170	2,657,174	348,766	25,443
1915	2,754,124	53,390	2,807,514	355,318	30,068
1916	2,825,944	49,960	2,875,904	370,681	31,295
1917	3,008,568	51,910	3,060,478	383,458	36,181
1918	3,175,768	51,910	3,227,678	384,872	40,391
1919	3,435,932	52,330	3,488,262	410,690	44,401
1920	3,761,250	52,330	3,813,580	466,460	50,588
1921	4,116,616	44,510	4,161,126	538,384	54,994
1922	4,472,112	45,500	4,517,612	602,032	60,765
1923	4,183,596	14,370	4,197,966	501,031	61,421
1924	4,845,082	25,150	4,870,232	676,995	64,225
1925	5,152,000	34,000	5,186,000	752,000	68,160

APPENDIX IX

Draft Conventions adopted by the International Labour Conference at Washington in 1919

I—Draft Convention limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week

The General Conference of the International Labour Organisation of the League of Nations—

Having been convened at Washington by the Government of the United States of America on the 29th day of October, 1919, and

Having decided upon the adoption of certain proposals with regard to the "application of the principle of the 8 hours' day or of the 48 hours' week", which is the first item in the agenda for the Washington meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,
adopts the following draft convention for ratification by the Members of the International Labour Organisation, in accordance with the Labour Part of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919.

Article 1

For the purpose of this Convention, the term "industrial undertaking" includes particularly—

- (a) Mines, quarries, and other works for the extraction of minerals from the earth.
- (b) Industries in which articles are manufactured, altered, cleaned, repaired, ornamented, finished, adapted for sale, broken up or demolished, or in which materials are transformed, including shipbuilding and the generation, transformation, and transmission of electricity or motive power of any kind.
- (c) Construction, reconstruction, maintenance, repair, alteration, or demolition of any building, railway, tramway, harbour, dock, pier, canal, inland waterway, road, tunnel, bridge, viaduct, sewer, drain, well, telegraphic or telephonic installation, electrical undertaking, gas work, waterwork or other work of construction, as well as the preparation for or laying the foundations of any such work or structure.
- (d) Transport of passengers or goods by road, rail, sea or inland waterway, including the handling of goods at docks, quays, wharves or warehouses, but excluding transport by hand.

The provisions relative to transport by sea and on inland waterways shall be determined by a special conference dealing with employment at sea and on inland waterways.

The competent authority in each country shall define the line of division which separates industry from commerce and agriculture.

Article 2

The working hours of persons employed in any public or private industrial undertaking or in any branch thereof, other than an undertaking in which only members of the same family are employed, shall not exceed eight in the day and forty-eight in the week, with the exceptions hereinafter provided for:—

- (a) The provisions of this Convention shall not apply to persons holding positions of supervision or management, nor to persons employed in a confidential capacity.
- (b) Where by law, custom, or agreement between employers' and workers' organisations or, where no such organisations exist, between employers' and workers' representatives, the hours of work on one or more days of the week are less than eight, the limit of eight hours may be exceeded on the remaining days of the week by the sanction of the competent public authority, or by agreement between such organisations or representatives, provided, however, that in no case under the provisions of this paragraph shall the daily limit of eight hours be exceeded by more than one hour.
- (c) Where persons are employed in shifts it shall be permissible to employ persons in excess of eight hours in any one day and forty-eight hours in any one week, if the average number of hours over a period of three weeks or less does not exceed eight per day and forty-eight per week.

Article 3

The limit of hours of work prescribed in Article 2 may be exceeded in case of accident, actual or threatened, or in case of urgent work to be done to machinery or plant, or in case of "force majeure", but only so far as may be necessary to avoid serious interference with the ordinary working of the undertaking.

Article 4

The limit of hours of work prescribed in Article 2 may also be exceeded in those processes which are required by reason of the nature of the process to be carried on continuously by a succession of shifts, subject to the condition that the working hours shall not exceed fifty-six in the week on the average. Such regulation of the hours of work shall in no case affect any rest days which may be secured by the national law to the workers in such processes in compensation for the weekly rest day.

Article 5

In exceptional cases where it is recognized that the provisions of Article 2 cannot be applied, but only in such cases, agreements between workers' and employers' organisations concerning the daily limit of work over a longer period of time may be given the force of regulations, if the Government, to which these agreements shall be submitted, so decides.

The average number of hours worked per week, over the number of weeks covered by any such agreement shall not exceed forty-eight.

Article 6

Regulations made by public authority shall determine for industrial undertakings:—

(a) The permanent exceptions that may be allowed in preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working of an establishment, or for certain classes of workers whose work is essentially intermittent.

(b) The temporary exceptions that may be allowed, so that establishments may deal with exceptional cases of pressure of work.

These regulations shall be made only after consultation with the organisations of employers and workers concerned, if any such organisations exist. These regulations shall fix the maximum of additional hours in each instance, and the rate of pay for overtime shall not be less than one and one-quarter times the regular rate.

Article 7

Each Government shall communicate to the International Labour Office:—

(a) A list of the processes which are classed as being necessarily continuous in character under Article 4;

(b) Full information as to working of the agreements mentioned in Article 5; and

(c) Full information concerning the regulations made under Article 6 and their application.

The International Labour Office shall make an annual report thereon to the General Conference of the International Labour Organisation.

Article 8

In order to facilitate the enforcement of the provisions of this Convention, every employer shall be required:—

(a) To notify by means of the posting of notices in conspicuous places in the works or other suitable place, or by such other method as may be approved by the Government, the hours at which work begins and ends, and where work is carried on by shifts, the hours at which each shift begins and ends. These hours shall be so fixed that the duration of the work shall not exceed the limits prescribed by this Convention, and when so notified they shall not be changed except with such notice and in such manner as may be approved by the Government.

(b) To notify in the same way such rest intervals accorded during the period of work as are not reckoned as part of the working hours.

(c) To keep a record in the form prescribed by law or regulation in each country of all additional hours worked in pursuance of Articles 3 and 6 of this Convention.

It shall be made an offence against the law to employ any person outside the hours fixed in accordance with paragraph (a), or during the intervals fixed in accordance with paragraph (b).

Article 9

In the application of this Convention to Japan the following modifications and conditions shall obtain:—

(a) The term "industrial undertaking" includes particularly—

The undertakings enumerated in paragraph (a) of Article 1;

The undertakings enumerated in paragraph (b) of Article 1, provided there are at least ten workers employed;

The undertakings enumerated in paragraph (c) of Article 1, in so far as these undertakings shall be defined as "factories" by the competent authority;

The undertakings enumerated in paragraph (d) of Article 1, except transport of passengers or goods by road, handling of goods at docks, quays, wharves, and warehouses, and transport by hand; and

Regardless of the number of persons employed, such of the undertakings enumerated in paragraphs (b) and (c) of Article 1 as may be declared by the competent authority either to be highly dangerous or to involve unhealthy processes.

(b) The actual working hours of persons of fifteen years of age or over in any public or private industrial undertaking, or in any branch thereof, shall not exceed fifty-seven in the week, except that in the raw-silk industry the limit may be sixty hours in the week.

(c) The actual working hours of persons under fifteen years of age in any public or private industrial undertaking, or in any branch thereof, and of all miners of whatever age engaged in underground work in the mines, shall in no case exceed forty-eight in the week.

(d) The limit of hours of work may be modified under the conditions provided for in Articles 2, 3, 4 and 5 of this Convention, but in no case shall the length of such modification bear to the length of the basic week a proportion greater than that which obtains in those Articles.

(e) A weekly rest period of twenty-four consecutive hours shall be allowed to all classes of workers.

(f) The provision in Japanese factory legislation limiting its application to places employing fifteen or more persons shall be amended so that such legislation shall apply to places employing ten or more persons.

(g) The provisions of the above paragraphs of this Article shall be brought into operation not later than 1st July, 1922 except that the provisions of Article 4, as modified by paragraph (d) of this Article, shall be brought into operation not later than 1st July, 1923.

(h) The age of fifteen prescribed in paragraph (c) of this Article shall be raised, not later than 1st July, 1925, to sixteen.

Article 10

In British India the principle of a sixty-hour week shall be adopted for all workers in the industries at present covered by the Factory Acts administered by the Government of India, in mines, and in such branches of railway work as shall be specified for this purpose by the competent authority. Any modification of this limitation made by the competent authority shall be subject to the provisions of Articles 6 and 7 of this Convention. In other respects the provisions of this Convention shall not apply to India, but further provisions limiting the hours of work in India shall be considered at a future meeting of the General Conference.

Article 11

The provisions of this Convention shall not apply to China, Persia and Siam, but provisions limiting the hours of work in these countries shall be considered at a future meeting of the General Conference.

Article 12

In the application of this Convention to Greece, the date at which its provisions shall be brought into operation in accordance with Article 19 may be extended to not later than 1st July, 1923, in the case of the following industrial undertakings:—

- (1) Carbon-bisulphide works,
- (2) Acids works,
- (3) Tanneries,
- (4) Paper mills,

- (5) Printing works,
- (6) Sawmills,
- (7) Warehouses for the handling and preparation of tobacco,
- 8) Surface mining,
- 9) Foundries,
- 10) Lime works,
- 11) Dye works,
- (12) Glass works (blowers),
- (13) Gas works (firemen),
- (14) Loading and unloading merchandise;

and to not later than 1st July, 1924, in the case of the following industrial undertakings:—

(1) *Mechanical industries.*—Machine shops for engines, safes, scales, beds, tacks, shells (sporting), iron foundries, bronze foundries, tin shops, plating shops, manufactories of hydraulic apparatus;

(2) *Constructional industries.*—Lime-kilns, cement works, plasters' shops, tile yards, manufactories of bricks and pavements, potteries, marble yards, excavating and building work;

(3) *Textile industries.*—Spinning and weaving mills of all kinds, except dye works;

(4) *Food industries.*—Flour and grist-mills, bakeries, macaroni factories, manufactories of wines, alcohol, and drinks, oil works, breweries, manufactories of ice and carbonated drinks, manufactories of confectioners' products and chocolate, manufactories of sausages and preserves, slaughterhouses, and butcher shops;

(5) *Chemical industries.*—Manufactories of synthetic colours, glassworks (except the blowers), manufactories of essence of turpentine and tartar, manufactories of oxygen and pharmaceutical products, manufactories of flaxseed oil, manufactories of glycerine, manufactories of calcium carbide, gas works (except the firemen);

(6) *Leather industries.*—Shoe factories, manufactories of leather goods;

(7) *Paper and printing industries.*—Manufactories of envelopes, record books, boxes, bags, bookbinding, lithographing, and zincengraving shops;

(8) *Clothing industries.*—Clothing shops, underwear and trimmings, workshops for pressing, workshops for bed coverings, artificial flowers, feathers, and trimmings, hat and umbrella factories;

(9) *Woodworking industries.*—Joiners' shops, coopers' sheds, wagon factories, manufactories of furniture and chairs, picture-framing establishments, brush and broom-factories;

(10) *Electrical industries.*—Power houses, shops for electrical installations;

(11) *Transportation by land.*—Employees on railroads and street cars, firemen, drivers, and carters.

Article 13

In the application of this Convention to Roumania the date at which its provisions shall be brought into operation in accordance with Article 19 may be extended to not later than 1st July, 1924.

Article 14

The operation of the provisions of this Convention may be suspended in any country by the Government in the event of war or other emergency endangering the national safety.

Article 15

The formal ratifications of this Convention, under the conditions set forth in Part XIII of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919, shall be communicated to the Secretary General of the League of Nations for registration.

Article 16

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing:—

- (a) Except where owing to the local conditions its provisions are inapplicable; or
- (b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates, and possessions which are not fully self-governing.

Article 17

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary General of the League of Nations shall so notify all the Members of the International Labour Organisation.

Article 18

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

Article 19

Each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1st July, 1921, and to take such action as may be necessary to make these provisions effective.

Article 20

A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

Article 21

At least once in ten years the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention, and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

Article 22

The French and English texts of this Convention shall both be authentic.

II. Draft Convention concerning employment of women during the night.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Washington by the Government of the United States of America on the 29th day of October, 1919, and

Having decided upon the adoption of certain proposals with regard to "women's employment during the night", which is part of the third item in the agenda for the Washington meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,

adopts the following Draft Convention for ratifications by the Members of the International Labour Organisation, in accordance with the Labour Part of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919.

Article 1

For the purpose of this Convention, the term "industrial undertaking" includes particularly:

- (a) Mines, quarries, and other works for the extraction of minerals from the earth.

(b) Industries in which articles are manufactured, altered, cleaned, repaired, ornamented, finished, adapted for sale, broken up or demolished, or in which materials are transformed; including shipbuilding, and the generation, transformation and transmission of electricity or motive power of any kind;

(c) Construction, reconstruction, maintenance, repair, alteration or demolition of any building, railway, tramway, harbour, dock, pier, canal, inland waterway, road, tunnel, bridge, viaduct, sewer, drain, well, telegraphic or telephonic installation, electrical undertaking, gas work, waterwork, or other work of construction as well as the preparation for or laying the foundations of any such work or structure.

The competent authority in each country shall define the line of division which separates industry from commerce and agriculture.

Article 2

For the purpose of this Convention, the term "night" signifies a period of at least eleven consecutive hours, including the interval between ten o'clock in the evening and five o'clock in the morning.

In those countries where no Government regulation as yet applies to the employment of women in industrial undertakings during the night, the term "night" may provisionally, and for a maximum period of three years, be declared by the Government to signify a period of only ten hours, including the interval between ten o'clock in the evening and five o'clock in the morning.

Article 3

Women without distinction of age shall not be employed during the night in any public or private industrial undertaking, or in any branch thereof, other than an undertaking in which only members of the same family are employed.

Article 4

Article 3 shall not apply:

(a) In cases of *force majeure*, when in any undertaking there occurs an interruption of work which it was impossible to foresee, and which is not of a recurring character.

(b) In cases where the work has to do with raw materials or materials in course of treatment which are subject to rapid deterioration, when such night work is necessary to preserve the said materials from certain loss.

Article 5

In India and Siam, the application of Article 3 of this Convention may be suspended by the Government in respect to any industrial undertaking, except factories as defined by the national law. Notice of every such suspension shall be filed with the International Labour Office.

Article 6

In industrial undertakings which are influenced by the seasons and in all cases where exceptional circumstances demand it, the night period may be reduced to ten hours on sixty days of the year.

Article 7

In countries where the climate renders work by day particularly trying to the health, the night period may be shorter than prescribed in the above articles, provided that compensatory rest is accorded during the day.

Article 8

The formal ratifications of this Convention, under the conditions set forth in Part XIII of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919, shall be communicated to the Secretary-General of the League of Nations for registration.

Article 9

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing:

(a) Except where owing to the local conditions its provisions are inapplicable; or

(b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates and possessions which are not fully self-governing.

Article 10

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation.

Article 11

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, but it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

Article 12

Each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1st July, 1922, and to take such action as may be necessary to make these provisions effective.

Article 13

A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

Article 14

At least once in ten years, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention, and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

Article 15

The French and English texts of this Convention shall both be authentic.

III. Draft Convention concerning the night work of young persons employed in Industry

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened by the Government of the United States of America at Washington on the 29th day of October, 1919, and

Having decided upon the adoption of certain proposals with regard to the "employment of children during the night," which is part of the fourth item in the agenda for the Washington meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,

adopts the following Draft Convention for ratification by the Members of the International Labour Organisation, in accordance with the Labour Part of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919.

Article 1

For the purpose of this Convention, the term "industrial undertaking" includes particularly:

(a) Mines, quarries, and other works for the extraction of minerals from the earth.

(b) Industries in which articles are manufactured, altered, cleaned, repaired, ornamented, finished, adapted for sale, broken up, or demolished, or in which materials are transformed; including shipbuilding, and the generation, transformation, and transmission of electricity or motive power of any kind.

(c) Construction, reconstruction, maintenance, repair, alteration, or demolition of any building, railway, tramway, harbour, dock, pier, canal, inland waterway, road, tunnel, bridge, viaduct, sewer, drain, well, telegraphic or telephonic installation, electrical undertaking, gas work, water work, or other work of construction as well as the preparation for or laying the foundations of any such work or structure.

(d) Transport of passengers or goods by road or rail, including the handling of goods at docks, quays, wharves, and warehouses, but excluding transport by hand.

The competent authority in each country shall define the line of division which separates industry from commerce and agriculture.

Article 2

Young persons under eighteen years of age shall not be employed during the night in any public or private industrial undertaking or in any branch thereof, other than an undertaking in which only members of the same family are employed, except as hereinafter provided for.

Young persons over the age of sixteen may be employed during the night in the following industrial undertakings on work which by reasons of the nature of the process, is required to be carried on continuously day and night :

- (a) Manufacture of iron and steel ; processes in which reverberatory or regenerative furnaces are used, and galvanizing of sheet metal or wire (except the pickling process).
- (b) Glass works.
- (c) Manufacture of paper,
- (d) Manufacture of raw sugar.
- (e) Gold mining reduction work.

Article 3

For the purpose of this Convention, the term " night " signifies a period of at least eleven consecutive hours, including the interval between ten o'clock in the evening and five o'clock in the morning.

In coal and lignite mines work may be carried on in the interval between ten o'clock in the evening and five o'clock in the morning, if an interval of ordinarily fifteen hours, and in no case of less than thirteen hours, separates two periods of work.

When night work in the baking industry is prohibited for all workers, the interval between nine o'clock in the evening and four o'clock in the morning may be substituted in the baking industry for the interval between ten o'clock in the evening and five o'clock in the morning.

In those tropical countries in which work is suspended during the middle of the day the night period may be shorter than eleven hours if compensatory rest is accorded during the day.

Article 4

The provisions of Articles 2 and 3 shall not apply to the night work of young persons between the ages of sixteen and eighteen years in cases of emergencies which could not have been controlled or foreseen, which are not of a periodical character, and which interfere with the normal working of the industrial undertaking.

Article 5

In the application of this Convention to Japan, until 1st July, 1925, Article 2 shall apply only to young persons under fifteen years of age and thereafter it shall apply only to young persons under sixteen years of age.

Article 6

In the application of this Convention to India, the term " Industrial undertaking " shall include only " factories " as defined in the Indian Factory Act and Article 2 shall not apply to male young persons over fourteen years of age.

Article 7

The prohibition of night work may be suspended by the Government, for young persons between the ages of sixteen and eighteen years, when in case of serious emergency the public interest demands it.

Article 8

The formal ratifications of this Convention, under the conditions set forth in Part XIII of the Treaty of Versailles of 28th June, 1919, and of the Treaty of St. Germain of 10th September, 1919, shall be communicated to the Secretary-General of the League of Nations for registration.

Article 9

Each Member of the International Labour Organisation which ratified this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing:

- (a) Except where owing to the local conditions its provisions are inapplicable; or
- (b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates and possessions which are not fully self-governing.

Article 10

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation

Article 11

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

Article 12

Each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1st July, 1922, and to take such action as may be necessary to make these provisions effective.

Article 13

A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

Article 14

At least once in ten years the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention, and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

Article 15

The French and English texts of this Convention shall both be authentic.

APPENDIX X

Gain to Japan due to interest on depreciation consequent on double shift working

Mill with 30,000 spindles and 1,000 looms (spinning and weaving 20s counts)

Rs.

Cost of building	15,35,210
Cost of machinery	30,11,503

	1st year	2nd year	3rd year	4th year	5th year
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Depreciation fund at 2½ per cent. and 5 per cent. : India-day shift	1,88,955	3,77,910	5,66,865	7,55,820	9,44,775
(2) Depreciation fund at 3½ per cent. and 10 per cent. : Japan-day and night shift	3,54,882	7,09,764	10,64,646	14,19,528	17,74,410
(3) Extra amount of depreciation earned	1,65,927	3,31,854	4,97,781	6,63,708	8,29,635
(4) Interest at 6 per cent.	9,955	19,910	29,865	39,820	49,775
(5) Interest per loom per annum	9·95	19·91	29·86	39·82	49·77
(6) Interest per loom per day (pies)	6·17	12·34	18·51	24·68	30·85

	6th year	7th year	8th year	9th year	10th year
	Rs.	Rs.	Rs.	Rs.	Rs.
1) Depreciation fund at 2½ per cent. and 5 per cent. : India-day shift	11,33,730	13,22,685	15,11,640	17,00,595	18,89,550
2) Depreciation fund at 3½ per cent. and 10 per cent. : Japan-day and night shift	21,29,292	24,84,174	28,39,056	31,93,938	35,48,820
3) Extra amount of depreciation earned	9,95,562	11,61,489	13,27,416	14,93,343	16,59,270
4) Interest at 6 per cent.	59,730	69,685	79,640	89,595	99,550
5) Interest per loom per annum	59·73	69·68	79·64	89·59	99·55
6) Interest per loom per day (pies)	37·02	43·19	49·36	55·53	61·70

APPENDIX XI

TABLE I

Financial condition of cotton spinning companies in Japan during the period from 1916 to 1925

(Amounts in millions of yen)

Business period (half years)		Number of Com- panies	Liabilities			Assets		Amount brought forward
			Autho- rised capital	Paid up capital	Reserve funds*	Loans, etc.	Fixed assets	
1916	1st half ..	32	106·2	84·0	38·7	23·6	116·4	8·4
	2nd half ..	32	132·2	96·8	41·0	23·9	110·8	10·5
1917	1st half ..	32	150·7	106·2	49·1	25·7	109·2	12·9
	2nd half ..	33	156·6	111·6	62·2	27·5	103·4	16·9
1918	1st half ..	33	173·1	124·4	67·7	29·3	113·1	23·2
	2nd half ..	35	190·0	135·6	80·2	27·5	123·0	23·4
1919	1st half ..	38	197·3	142·8	97·6	28·6	130·2	26·1
	2nd half ..	46	217·6	162·9	120·0	25·7	143·0	29·3
1920	1st half ..	51	313·3	246·1	124·2	26·0	167·6	31·7
	2nd half ..	51	390·0	273·2	156·7	34·4	187·3	37·9
1921	1st half ..	51	394·5	275·3	164·0	31·2	207·3	31·7
	2nd half ..	57	427·8	294·9	173·7	22·7	246·3	32·2
1922	1st half ..	63	468·1	315·9	185·3	21·5	281·7	41·1
	2nd half ..	60	463·4	313·8	195·2	24·9	296·1	46·2
1923	1st half ..	55	450·7	311·0	203·0	31·1	332·5	47·3
	2nd half ..	55	458·2	319·1	207·9	35·9	352·7	46·1
1924	1st half ..	50	483·7	329·6	200·7	38·1	355·9	37·8
	2nd half ..	52	503·7	344·6	206·4	46·2	391·0	37·6
1925	1st half ..	51	505·5	345·3	211·5	57·1	410·4	45·6
	2nd half ..	51	505·5	349·1	218·8	67·6	425·1	47·6
Average, 1911-1915 ..			101·1	75·0	30·5	22·8	105·6	4·8
Do. 1916-1920 ..			202·7	148·4	83·7	27·2	130·4	22·0
Increase :— Amount ..			101·6	73·4	53·2	4·4	24·8	17·2
Per cent. ..			100·5	97·8	174·4	19·3	23·5	358·3
Average, 1916-1920 ..			202·7	148·4	83·7	27·2	130·4	22·0
Do. 1921-1925 ..			466·1	319·9	196·6	37·6	330·1	41·3
Increase :— Amount ..			263·4	171·5	112·9	10·4	199·7	19·3
Per cent. ..			129·9	115·6	134·8	38·2	153·1	80·5
Average, 1911-1915 ..			101·1	75·0	30·5	22·8	105·6	4·8
Do. 1921-1925 ..			466·1	319·9	196·6	37·6	330·1	41·3
Increase :— Amount ..			365·0	244·9	166·1	14·8	224·5	36·5
Per cent. ..			361·0	326·5	544·6	64·9	212·6	760·4

TABLE II

Gross earnings and distribution of profits of cotton spinning companies in Japan during the period from 1916 to 1925

(Amounts in millions of yen)

Business period (half years)	Gross earnings		Written off to depreciation		Net profits (gross earnings less depreciation)		Carried to reserve	Carried forward	Amount paid in dividends	Annual rate of dividend on paid up capital	
	Amount	Ratio to paid up capital	Amount	Ratio to fixed assets	Amount	Ratio to paid up capital	Amount	Amount	Amount	Annual rate of dividend on paid up capital	
1916	1st half	17.2	P. c. 20.36	4.0	P. c. 5.40	13.2	P. c. 15.71	2.7	10.6	8.3	19.8
	2nd half	33.7	34.82	11.1	9.98	22.6	23.85	8.9	12.8	11.4	23.5
1917	1st half	40.8	38.40	9.3	8.55	31.4	29.65	9.1	17.4	17.8	33.4
	2nd half	49.2	44.12	7.9	7.30	41.3	37.02	12.0	23.3	22.9	41.1
1918	1st half	54.7	43.97	9.5	8.38	45.2	36.34	12.2	23.4	32.8	52.7
	2nd half	62.8	46.31	9.0	7.30	53.8	39.79	17.4	26.1	33.7	49.7
1919	1st half	64.8	45.41	9.2	7.11	56.6	38.92	17.2	28.9	35.6	49.9
	2nd half	84.4	51.97	11.3	7.92	93.0	44.80	25.7	35.2	41.4	51.0
1920	1st half	113.3	46.04	10.8	6.44	102.5	41.65	36.3	38.4	59.5	48.4
	2nd half	46.2	16.59	7.1	3.79	39.1	14.31	9.2	31.6	36.2	26.5
1921	1st half	38.3	13.91	4.3	2.07	34.0	12.35	5.3	20.0	31.3	22.3
	2nd half	69.7	23.63	9.8	3.98	55.9	19.97	10.5	41.4	39.2	26.6
1922	1st half	62.8	19.88	8.1	2.87	54.7	17.32	10.4	45.9	39.5	25.0
	2nd half	52.6	16.74	6.4	2.16	46.2	14.72	8.7	46.9	36.0	23.5
1923	1st half	45.6	14.66	5.6	1.68	40.0	12.68	7.8	46.6	32.9	21.1
	2nd half	23.8	7.46	3.5	.99	20.3	6.36	4.0	35.9	26.5	16.7
1924	1st half	39.4	11.95	5.6	1.57	33.8	10.25	5.9	39.0	26.8	16.2
	2nd half	42.6	12.36	6.3	1.74	35.8	10.39	6.5	38.8	28.1	16.3
1925	1st half	46.1	13.35	8.4	2.05	37.7	10.93	6.5	47.6	29.3	16.9
	2nd half	33.2	9.51	7.5	1.76	25.8	7.39	5.8	39.0	28.6	16.4
Average, 1911-1915	9.8	..	2.5	..	7.3	..	1.5	5.5	5.3	13.6	..
Do, 1916-1920	56.7	..	8.9	..	47.8	..	15.1	24.8	30.0	41.6	..
Increase—	46.9	..	6.4	..	40.5	..	13.6	19.3	24.7	28.0	..
Amount	478.4	..	256.0	..	544.8	..	908.6	350.9	466.0	205.0	..
Per cent.	..	..	..	..	..	..	..	..	..	..	..
Average, 1916-1920	56.7	..	8.9	..	47.8	..	15.1	24.8	30.0	41.6	..
Do, 1921-1925	45.4	..	6.6	..	38.7	..	7.3	41.0	32.0	20.1	..
Increase or decrease—	11.3	..	2.3	..	9.1	..	7.8	+16.2	+2.0	21.5	..
Amount	19.9	..	25.8	..	19.0	..	51.7	65.3	6.6	51.7	..
Per cent.	..	..	..	..	..	..	..	..	..	..	..
Average, 1911-1915	9.8	..	2.5	..	7.3	..	1.5	5.5	5.3	13.6	..
Do, 1921-1925	45.4	..	6.6	..	38.7	..	7.3	41.0	32.0	20.1	..
Increase—	35.6	..	4.1	..	31.4	..	5.8	35.5	26.7	6.5	..
Amount	363.2	..	164.0	..	430.1	..	396.6	645.4	503.8	47.8	..
Per cent.	..	..	..	..	..	..	..	..	..	..	..

APPENDIX XII

Table showing the total number of spindles and looms under each managing agency in Bombay with the total subscribed capital of the mills of each agency

Managing Agents	Number of mills	Spindles	Looms	Capital
				Rs.
1. Currimbhoy Ebrahim & Co.	11	517,282	10,464	2,49,56,630
2. E. D. Sassoon & Co., Ltd. ..	12	516,446	11,325	7,26,00,000
3. Tata Sons & Co. ..	4	211,912	5,708	96,85,500
4. D. M. Petit Sons & Co. ..	4	185,944	5,811	48,59,500
5. Nowrosji Wadia & Sons ..	2	180,216	4,810	62,74,500
6. W. H. Brady & Co. ..	5	161,620	2,299	66,98,750
7. Thackersey Mooljee & Co. ..	3	125,776	3,102	33,00,000
8. James Finlay & Co. ..	3	120,160	2,452	94,62,450
9. C. N. Wadia & Co. ..	2	111,338	3,001	18,50,000
10. David Sassoon & Co. ..	2	98,416	2,142	27,50,000
11. Mathradas Goculdas & Co.	3	97,284	697	77,51,195
12. Morarjee Goculdas & Co. ..	1	82,928	1,605	11,50,000
13. Killick Nixon & Co. ..	1	69,200	1,394	20,00,000
14. Khatau Makanji & Co. ..	1	62,844	1,511	29,95,000
15. Mangaldas Mehta & Co. ..	2	59,536	1,008	23,00,000
16. Ramnarain Harnandrai & Sons ..	1	54,072	696	8,00,000
17. B. D. Petit Sons & Co. ..	1	46,452	1,383	15,00,000
18. Pransukhlal Mafatlal ..	1	46,064	..	13,25,000
19. Allana Rahimtools & Co. ..	2	44,678	400	60,98,800
20. Kilachand Devchand & Co.	1	43,846	..	39,85,600
21. Purshotam Vithaldas & Co.	1	41,768	968	2,00,000
22. Vussunjee Munjee & Co. ..	1	40,944	1,026	9,00,000
23. Sassoon J. David & Co. ..	1	39,816	..	8,00,000
24. Commissariat & Co. ..	1	39,208	600	13,24,215
25. Allen Brothers ..	1	38,144	1,265	22,50,000
26. Goculdas Madhavjee Sons & Co. ..	1	37,452	903	20,25,000
27. Hormusji Sons & Co. ..	1	33,648	797	22,40,770
28. Abdoolabhoy Joomabhoy Lalljee & Co. ..	1	33,516	663	11,00,000
29. P. A. Hormarji & Co. ..	1	32,782	756	2,50,000
30. Toyo Menka Kaisha, Ltd. ..	1	31,992	758	20,00,000
31. Partapgir Narsingirji & Co.	1	31,586	929	17,04,000
32. Hormusji Ardeshir & Son ..	1	31,300	494	13,32,100
33. Waljee Shamji & Co. ..	1	31,212	914	12,00,000
34. Ragavji Maganlal & Co. ..	1	30,544	840	12,00,000
35. Turner, Morrison & Co. ..	1	29,104	744	10,00,000
36. Morarbhai Vijbhukhandas & Co. ..	1	28,116	592	7,00,000
37. Cowasjee Jehangir & Co. ..	1	27,640	719	13,00,000
38. Mafatlal Gagalbhai ..	1	19,652	560	Proprietary
39. Govindlal & Co. ..	1	18,908	..	15,21,000
40. Hormusji & Co. ..	1	13,152	365	12,00,000
41. Lowjee Meghjee & Co. ..	1	6,144	..	Proprietary
Total ..	83	3,472,642	73,701	19,65,90,010

APPENDIX XIII

Letter received from the Indian Central Cotton Committee giving an estimate of the quantity of Indian cotton suitable for spinning higher counts

I have the honour to acknowledge receipt of your letter No. 1200 of 1926, dated the 1st November 1926, and to state that it is not easy to give a definite opinion on the matter raised in your letter. I have consulted the Director of our Spinning Laboratory, Matunga, and he estimates that no Indian long stapled cotton is really suitable for warp yarn above 36s counts. All the cottons which come within 30/36s warp range would be suitable for weft of rather above 36s counts.

With regard to Indian long stapled cottons the following table may be taken to summarize the position. This table is based on our spinning tests for standard Indian cottons and it is assumed that the crop which is outside our standards will be of inferior quality to these standards. Further, the proportions mentioned in the undernoted table may very possibly not be realised if the season is an unfavourable one :—

Cotton	Estimated crop in 1925-26 in 000 bales	Suit- able for warp 30/36	For weft 30/36
(1) Oomras Hyderabad Gaorani (bani)	550	..	..
(2) Broach (part) Surat Navsari mostly 1027 A.L.F. (1" staple).	127	127	..
(3) Broach (part) Surat Navsari mostly 1027 A.L.F. (others).	87	..	..
(4) Kumpta Dharwar Gadag No. 1 (staple 1") ..	21	21	..
(5) Kumpta Dharwar No. 1 (staple 7/8") ..	30	30	..
(6) Kumpta Dharwar Gadag No. 1, other Kumpta and Dharwar American.	263	..	..
(7) Western and Northerns—			
(a) Nandyal 14 (staple 15/16-1") ..	3	3	..
(b) Hagari 25 (7/8")	25	25	..
(c) Others	345	..	..
(8) Tinnevellys—			
(a) Karunganni (7/8")	60	..	60
(b) Other Tinnevellys	106	..	..
(9) Salems and Cambodia—			
(a) Irrigated Cambodia (staple 1"—1 1/8") ..	113	113	..
(b) Other Cambodias and Salems	85	..	..
(10) Punjab and Sind Americans (staple 15/16"—1 1/8".)	330	5	..
	Total in 1,000 bales	324	60

Therefore taking the total Indian crop at six million bales, there will be a two million bale crop of long staple cotton of which 3,20,000 bales or 16 per cent. may be taken as suitable for warp yarn of 30/36s counts and an additional 60,000 bales or 3 per cent. suitable for weft yarn of 30/36s counts.

APPENDIX XIV

Correspondence between the Government of India and the Bombay Millowners' Association prior to the appointment of the Tariff Board

Letter from the Secretary, Bombay Millowners' Association, Bombay, No. 388/32-C of 1926, dated Bombay, the 9th March 1926

In continuation of Mr. N. N. Wadia's letter of the 22nd February and as requested in your D.O. No. 341-T (9), I have the honour to submit for the consideration of the Honourable Member of the Commerce Department in the Government of India, a concise statement of my Committee's views in regard to the competition which India is at present meeting from Japan.

My Committee's views can be stated in a very few lines. They maintain that the Indian cotton textile industry is suffering from unfair competition from Japan by reason of the fact that Japan has not carried out the International Labour Conventions regarding hours of work and weekly holidays, and the employment of women and young persons at night. In 1919, an International Labour Conference was held at Washington. The object of that Conference and the annual International Labour Conferences which have since taken place was the improvement of the conditions of labour for the working classes of countries, members of the League of Nations, by the institution of an International Labour Code for the regulation of labour. One of the essentials for the successful insururation and application of such a Code is that the chief industrial nations of the world should put into operation the Conventions passed at these International Conferences for, unless this is done, those countries which put into operation any conventions for improving labour conditions will be adversely affected when competing against countries which fail to improve their labour conditions in the same manner.

By far the most important Conventions passed at these International Conferences are those relating to hours of work and the non-employment of women at night.

These two Conventions were passed at the Washington Conference in 1919. The Hours Convention lays down a sixty-hour working week for workers in India and a fifty-seven hour working week for workers in Japan. The Convention relating to women's employment lays down that women shall not be employed during the night in any public or private industrial undertaking. Japan and India were both represented at the Washington Conference and all the representatives of both the countries agreed to these two Conventions.

After the results of the Conference had been conveyed to them, the Government of India took immediate action, and the Factory Amendment Act of 1922 fulfilled India's obligations in respect of the two Conventions referred to above. Japan, on the other hand, has failed so far to carry out these two Conventions and has apparently no intention of doing so till 31st August 1931 at the earliest (*vide* Appendix I to notes), with the result that her textile mills have an unfair advantage when competing against Indian textile mills owing to the fact that women are employed on night work, and working hours are longer than in Indian mills (*vide* monthly statistics issued by Japan Cotton Spinners' Association). Chiefly by reason of these unfair advantages, Japan has been able to place increased quantities of yarn and piecegoods in India and in Indian export markets at prices to compete against which, Indian mills have had to run at a loss. My Committee maintain that when the Government of India enforced these two Conventions, they thereupon took upon themselves the onus of seeing that Indian industries should not be unfairly penalised owing to non-ratification by her industrial competitors, and consider that immediate action should be taken to prevent the continuation of the advantages Japan at present enjoys.

Since it is not possible to take effective steps against Japan through the International Labour Office, owing to the Conventions not being of a mandatory nature, my Committee consider in the interests of Indian labour and the Indian textile industry, that additional duties should be imposed upon the imports of piecegoods and yarn from Japan into India until Japan prohibits the employment of women at night, and reduces the length of the working week per operative to conform with the Hours Convention.

The extra import duty which should be imposed on Japanese piecegoods and yarn, my Committee maintain, should be equivalent to the approximate saving in cost of production which Japanese mills enjoy owing to not having ratified these Conventions. This could be estimated by calculating the saving in cost of production which Indian mills would have obtained if run under the same conditions as regards hours of labour and night work for women. My Committee are fully aware that double shift working is ostensibly permissible in all countries, but if night work for women were prohibited

in Japan, double shift working for the textile industry would be just as impossible there as it has proved in Bombay owing to the insufficiency of male labour. This fact is borne out by the statistics of the Japanese Master Cotton Spinners Association which show that 80 per cent. of the total workers employed in the cotton mills of Japan are women. The true gain to the Japanese cotton industry by the employment of women at night does not therefore only amount to the difference in the cost of female labour as against male labour on night work, but to the reduction in cost of production obtained by working double shifts as compared with single shifts.

My Committee suggest that for the specific purpose outlined in the preceding paragraph an *ad hoc* committee, including a proportion of textile experts, should be immediately appointed and asked to report without delay. If the Government of India are prepared to agree to this suggestion, this Association would be prepared to render every assistance in order to enable the Committee to arrive at accurate conclusions as to the extent of the extra import duty which should be imposed, provided any evidence they give is considered confidential.

Though for the past two or three years the textile industry of India has been very adversely affected owing to the depreciating value of the yen, the appreciating value of the rupee and other reasons, my Committee do not, at the present juncture, wish to make any claim for general protection. They consider that if safeguarded from unfair competition, the Indian textile industry will at least be able to retain its home market.

Finally, my Committee wish to draw the attention of the Government of India to the difficult position of the cotton textile industry which is proved by the loss of five crores sustained by the cotton mills of Bombay City and Island in the last three years, and the need for early and effective action against Japan if the cotton industry of India is to survive the present crisis.

My Committee understand that the Honourable Sir Charles Innes will be in Bombay on the 1st April 1926, and they will be very pleased if he, and if possible, the Honourable Mr. Chadwick will kindly make it convenient to meet them in the afternoon on that day to discuss the points raised in this letter, and in the Commerce Department's reply.

*Letter to the Secretary, Bombay Millowners' Association, Bombay, No. 341-T. (9)
dated Delhi, the 26th March 1926*

I am directed to reply to your letter No. 388/32-C of the 9th March 1926. This letter contains a concise statement of the views of your Committee in regard to the competition from Japan which the Indian mill industry is now experiencing and the Government of India will endeavour to be equally concise in their reply.

2. Your Committee makes it clear that at present it does not think it necessary to make any request for what is called in your letter "general protection". But it considers that the competition from Japan is in some respect unfair. It considers it unfair because whereas India has ratified and carried into effect the Conventions adopted by the International Labour Office at the Washington Conference in 1919 concerning hours of work in industrial undertakings, the employment of women during the night and the night work of young persons employed in industries, Japan, on the other hand, though its representatives at the Conference agreed to the above Conventions, has neither ratified them nor carried them into effect. The result is, in the opinion of your Committee, that Japanese millowners have an unfair advantage over millowners in India, and it is mainly owing to this unfair advantage that they have been able to increase the sale of Japanese yarn and cloth in India. The further point is made that the Government of India cannot disclaim responsibility for this state of things. "My Committee maintain," the letter states, "that when the Government of India enforced these two Conventions, they took upon themselves the onus of seeing that Indian industries should not be unfairly penalised owing to non-ratification by her industrial competitors, and consider that immediate steps should be taken to prevent the continuation of the advantages Japan at present enjoys". Your Committee, therefore, holds that it is incumbent on the Government of India to safeguard the Indian textile industry from this "unfair competition" and with this object in view it suggests—

- (1) that so long as Japan does not carry into effect the Conventions mentioned above, Japanese yarn and piecegoods imported into India should be subjected to additional import duties;
- (2) that the amount of these additional duties should be roughly equivalent to the reduction in the cost of production which Indian mills would be able to secure if they also were enabled to work double shifts by employing women at night, and

(3) that an *ad hoc* Committee should be appointed to determine, in the light of the above principle, what extra duties should be imposed.

3. The case as stated above clearly raises issues of grave importance. For the proposals which have been submitted for the consideration of the Government of India contemplate the imposition of differential duties on yarn and piece-goods imported from Japan. If therefore they were accepted, they would involve the denunciation by the Government of India of the Trade Convention with Japan of 1905. For under that Convention, Japanese goods enjoy on importation into India "the lowest customs duties applicable to similar products of any other foreign origin" and the same treatment is secured to Indian goods on importation into Japan. Your Committee will readily agree that it would be a most serious step to denounce the Convention, and if the Government have felt compelled to subject the reasons advanced in support of this step to the closest scrutiny, they are confident that your Committee will recognise that they have done so not in any contentious spirit, but merely because it is essential that in a matter of such importance, they should be sure of their ground.

4. I am first therefore to make it clear that the Government of India are unable to accept the implied assumption in your letter that by ratifying and carrying into effect the Conventions concerning hours of work, the employment of women at night and the night work of young persons, they placed at any rate the Bombay mill industry in a worse position *vis-a-vis* Japan than it had been before. Government do not consider that this statement corresponds with the history of events. The Factories Act of 1911 prohibited the employment of males under 14 by night in all factories and it also prohibited the employment of women by night in all factories except cotton ginning and pressing factories. In consequence, the ratification of the two Conventions relating to the night work of women and the night work of young persons did not involve any amendment of those provisions of the Factories Act which regulate the conditions of employment in the Bombay Mills, and in fact no such amendment was made when the Act was revised in 1922. It is true that the ratification of the Convention concerning hours of work did necessitate an amendment of the Indian Factories Act in 1922. But that amendment did not alter the position for the mill industry of Bombay. For the millowners had already reduced the hours of work from 12 to 10 before the Convention was ratified by the Government of India with the approval of the Legislature in 1921 and long before the Indian Factories Act was amended in 1922. In this connection, I am to remind you of the memorial submitted by your Committee to His Excellency the Viceroy in March, 1920. In that memorial your Committee stated that one of the principal demands made by the mill hands when they went on strike in January, 1920, was a reduction of daily hours of work from 12 to 10. Your Committee said that it had agreed to the demand which is considered to be fair, and it went on to ask that a similar limitation should be enforced by law on textile mills in other parts of India. And while the Convention was cited in support of the prayer contained in your memorial, Government were urged to establish a ten hours' day in Indian factories on the ground that such a step would advance the interests of both capital and labour in India. The passing of the Factories Act of 1922 did not involve a reduction of the hours of work in the Bombay cotton mills, so that it is clear that the ratification of the three Conventions cited by your Committee did not effect any material alteration in the law applicable to employment in the cotton mills. It therefore follows that the basis for the case of your Committee, as it is stated in your letter, disappears.

5. This being so, the Government of India do not propose to comment at length on the implications of your argument that because the Government of Japan has not ratified the Conventions, the Government of India would be justified in imposing additional duties on yarn and piece-goods imported from Japan. But they must point out that there is no obligation on any Government to ratify a draft Convention adopted by a Conference of the International Labour Organisation, even though its representatives at the Conference may have agreed to the draft Convention. The whole basis of these Conferences is that merely draft Conventions are adopted. Under Article 405 of the Peace Treaty, each State which is a member of the International Labour Organisation undertakes to bring the draft Convention within one year before the competent authorities for the enactment of legislation or other action. If no legislation or other action to make a recommendation effective follows, or if a draft Convention fails to obtain the consent of the competent authorities concerned, no further obligation rests on the State in question. In this connection, I am to refer you for a discussion of the whole question to Chapter II of the Report of the Commission on International Labour Legislation printed in Bulletin of Indian Industries and Labour No. 4, 1921. The suggestion of your Committee, therefore, involves the conclusion that the exercise by the Government of Japan of discretion expressly given to it in a treaty to which both Japan and India were parties should be regarded as justifying the Government of India in denouncing another treaty between the two countries. Your Committee will realise that when it is put in this form the

conclusion is one which it is scarcely possible for the Government of India to accept and which, if it were adopted, might have far-reaching consequences.

6. For these reasons the Government of India regret that they cannot accept as valid the statement of the case contained in your letter, and they must make it quite clear that they are unable to agree to your Committee's proposal that the case for safeguarding (as opposed to "general protection") should be accepted as established, and that your Committee should forthwith be appointed merely for the purpose of determining the amount of those duties. At the same time, the present difficulties of the mill industry are a matter of much concern to the Government of India, and they are anxious to do what they can to assist the millowners to find the right solution of those difficulties. Their position is that they recognise that the mill industry especially in Bombay City has been passing through a period of depression. They recognise that the import of Japanese yarn and piece-goods has been increasing rapidly. They recognise that Japanese millowners have an advantage over Indian millowners in that they work double shifts and they are willing to believe that the working of double shifts in Japan is facilitated, by the fact that the employment of women at night is not prohibited. They are prepared to admit, therefore, that there is a *prima facie* case for enquiry. But they hold that the enquiry should be a comprehensive enquiry, and that the whole field should be opened to the body entrusted with it. For protection whether it be called protection or merely safeguarding, must enhance the price of cotton goods (which is still exceptionally high) for the Indian consumer, and the Government of India are unable to agree to any course that would have this result unless and until the necessity of that course is established by a comprehensive impartial enquiry. In their view, diagnosis must precede the prescription of remedies, and they are not yet satisfied that the present condition of the mill industry in Bombay is solely due to competition from Japan.

7. Mr. Chadwick will have left for England before you receive this letter but I am to say that the Honourable Sir Charles Innes will be in Bombay from 1st to 4th April 1926, and will be pleased to arrange an interview with your Committee.

Copy of letter No. 817/102 of 1926, dated the 19th May 1926, from the Millowners' Association, Bombay, to the Honourable Sir Charles Innes, K.C.S.I., C.I.E., I.C.S., Member of the Government of India, Department of Commerce, Simla

Arising out of the representations made to the Government of India by this Association during the last two years, and as a direct result of the two conferences which took place on the 1st and 3rd April between yourself and the Committee of the Bombay Millowners' Association, I am instructed to request that the Government of India may be pleased to direct the Tariff Board or some other Committee similarly constituted, and with similar powers, to enquire into the causes of the present severe depression in the Bombay cotton textile industry and to suggest the measures which might be taken to restore this important indigenous industry to prosperity.

2. In the Association's letter No. 1168/118, dated the 7th October 1925, the Government of India were urged to abolish the excise duty and it was further stated if, after the abolition of the excise duty, the cotton mill industry found itself in need of protection against competition from countries which had ignored the Washington Conventions regarding hours of labour or which enjoyed indirect benefits owing to depreciated exchange or other circumstances, this Association might possibly ask for an enquiry.

3. The abolition of the excise duty has unfortunately been insufficient to offset the advantages enjoyed by other countries owing to depreciated exchange, inferior conditions of labour, double shift working, employment of women at night, indirect subsidies, etc., and the Association therefore request that Government will be pleased to institute an early and comprehensive enquiry as indicated in the first paragraph of this letter.

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