

PART I

Introductory

1.0 Nature of Study

1.1 Importance of the field of research

Although the film industry was the subject matter of Government investigation on at least three occasions¹, labour conditions in the industry did not attract Government attention until 1955. The Union Government had then a proposal on its anvil to assess the conditions of labour in the film production industry in the States of Bombay, Madras and West Bengal and to examine the extent to which they could be improved. Though the proposal did not then materialise, it was followed by a series of enquiries into employment and wages in film industry in the three States of India, where the industry is largely concentrated. As a result, minimum rates of wages were fixed under the Minimum Wages Act, 1948 in West Bengal and Maharashtra. Cine workers all over the country, particularly in Bombay later agitated for fair wages. The Government of Maharashtra, therefore, set up in August, 1965 a Committee for Employees in the Film Production Industry to enquire into service conditions including wages and suggest measures for their amelioration. Further, in response to workers' demand for a Wage Board and in view of Government's policy to set up Wage Boards in as many industries as possible, the Government of India has under consideration the question of setting up a Central Wage Board for film industry in India. It would thus appear that the problem of wages in film

1. Reports of Mr. W. Evans, a Cinema Expert from U.K. 1921, Indian Cinematograph Committee, 1927 and Film Enquiry Committee, 1951.

industry has assumed considerable significance during the last twelve years.

What is
the relevance
of this para?

In December 1966, the Government of India set up National Commission on Labour to review the changes in labour conditions since independence and make suitable recommendations thereon. The terms of reference inter-alia include "to study and report in particular on the levels of workers' earnings, the provisions relating to wages, the need for fixation of minimum wages including a national minimum wage, the means of increasing productivity, including the provisions of incentives to workers." In this context the Study of Wages in the Bombay film industry would prove very useful.

In the sphere of industrial relations, wages constitute the most important problem. A majority of industrial disputes have arisen over demands relating to wages. To workers, wages are of paramount importance as they largely influence their standard of living. Wages are significant also to employers since they directly enter into the cost of production. It seems, therefore, that there is an apparent conflict between the claims of employers and employees. A satisfactory solution to this vexed question, however, lies in building up a rational wage structure ensuring an equitable wage administration. Further, workers in the Film Production Section with no wage fixation machinery, are beyond the pale of industrial relations legislation. A research work which throws light on the existing structure and level of wages in the film industry and discovers forces governing them would, therefore, go a long way in providing the necessary basis for formulating an appropriate . . .

wage policy for the industry.

1.2 Objectives of study

The object of present study is to examine problems involved in evolving a rational wage structure for the film industry. This is sought to be achieved by an exhaustive study of the wage pattern in the Bombay film industry. Bombay has been selected as a centre for an intensive study as it is a nerve centre of film industry and the wage behaviour and practices followed at Bombay greatly influence the wage patterns at other centres of production. The study involves the assessment of existing wage pattern, the evaluation of current level of wages, the discovery of forces which influence wages and suggestions for improvement of wages.

It is necessary for an assessment of existing wage behaviour to trace the evolution of wage structure, to examine the bases of wage fixation, to ascertain the agencies determining wages, to find out various components of wage structure, to enquire into wage problems and to analyse the level of wages. The current wage level needs to be further examined in the light of 'wage norms' evolved by job evaluation method, comparative wages in the same industry at other centres and similar industries in the same centre or location and the level of real wages at different points of time. An attempt is also made to study the impact of wage level on industrial relations in the film industry as compared to its effect on industrial relations elsewhere and ascertain the causes of relative peace or conflict in the film industry. Finally, the study attempts to enquire into the forces which influence wages, including the malaise inherent

in the industry, which account for low wages and suggest measures for formulation of a rational wage system, consistent with the stability of industry and expanding employment opportunities.

1.3 Approach and sources of information

In view of the availability of comparatively scanty information on the subject, recourse is taken to direct and more reliable methods of collecting information and data, such as the use of wage records of employers, on-the-spot investigations, discussions with knowledgeable informants and dialogue with workers.

Wage data regarding each worker were not uniformly available from all the sectors of industry. They were obtained from employers' wage records in studios, film processing laboratories, cinema theatres, foreign film distribution concerns and the Films Division of the Government of India. They could not be collected on a census basis from employers in the Indian film distribution section and production units in view of unorganised state of those sectors of industry, large management turnover, apathy and non-response from employers. Information was, therefore, compiled only from selected Indian distribution units and from sampled workers in the production sector.

A complete list of all film distributors was obtained from the Indian Motion Picture Distributors' Association, Bombay, and after deleting the names of film distributors from the mofussil areas and those in Bombay who were not conducting any active business, the total number of concerns engaged in film distribution in Bombay was arrived at. They were then serially numbered and 17 units, which constituted roughly 20 per cent of the total 86 'working' distributors were selected at random.

The frame of about 6400 'production workers' was prepared by obtaining exhaustive lists of all workers in the film production section. Thanks to the high degree of organisation among them on craft basis it was not difficult to prepare a more or less complete list of workers from craft unions. Separate 10 per cent samples at random were selected from each category of workers such as directors, cameramen, editors, etc.

Statistical data regarding wages of employees in the film industry at Calcutta and Madras were obtained from the pay rolls of selected establishments and the conditions of work etc., were observed by personal visits to most studios and laboratories and a few theatres at those centres.

The response of industry both from employers and employees in general to the present study was far from satisfactory. It appears that some fear complex was lurking in the minds of employers that revelation of facts was likely to go against them. A searching enquiry into their affairs, particularly relating to labour, was opposed by employers and their associations as they themselves presumably appeared to be aware of raw deal to workers. This fear was overcome to a certain extent by persuasion. The producers were, however, recalcitrant.

The hesitation of workers to co-operate whole-heartedly with investigation was mainly due to their ignorance and the lack of appreciation of the fact that relevant statistics about each individual worker would be helpful in establishing certain conclusions about the conditions of cine employees as a class. Each person had to be contacted several times.

*When you are
service others
how many times
it is in their
Have you any
Don't be afraid
is better*

In an unorganised sector such as the film industry where both employers and employees appear to be dis-interested in the collection of facts from different view points, compilation of basic data of the nature demanded by the present study was in itself a stupendous task, requiring a good deal of tact, perseverance and patience.

Could you
cite any
more?

The evaluation of wage level pre-supposes a thorough study of all jobs which workers are called upon to perform in the course of their duties. The nature of work carried on in the industry was, therefore, carefully observed and the performance of each category of employees noted with a view to assessing the amount of skill involved in the various operations of film making. The details of tasks were obtained by observing individual workers doing them as well as by interviewing the workers and supervisors who had an intimate knowledge about jobs performed in their departments. Whereas workers, for obvious reasons, were apt to over-estimate jobs, the supervisors were inclined to under-rate them. All the material, therefore, had to be carefully weighed, sifted and supplemented by on-the-spot observations of jobs.

or Care?

The author is aware of the limitations of job evaluation as a method of determining occupational wage differentials, since in such a method subjective elements and biases are likely to enter at some stage while considering factors, grades, points and weights. However, in the absence of any better method of assessing quantitatively the economic worth of each job, job evaluation method perhaps offers a fairly broad basis for determining the relative ranking of jobs in the occupational

structure of industry.

The report of the Film Enquiry Committee has exhaustively dealt with the problems of industry and it was found to be useful in pinpointing factors affecting the wage-level. This was supplemented by discussions with knowledgeable informants who were stalwarts and had witnessed the 'ups and downs' of industry. They included producers, distributors, exhibitors, financiers, artistes, writers, trade unionists, technicians and craftsmen.

1.4 Broad frame-work of study

The present study was mainly conducted during 1961-65. Information and statistical data used in the study mostly relate to the years 1963 and 1965. However, efforts are made to obtain recent data and in these cases the periods to which they relate are specifically indicated.

The study is divided into three parts. The introductory part deals with the frame-work of enquiry and industrial background, the study of which would be necessary for understanding the economic position of industry. The first chapter describes the nature of study. Chapter 2 deals with industrial structure and organisation, institutional developments and the growth of industry.

The second part examines existing wage structure and evaluates the level of wages. Chapter 3 traces the evolution of wage structure of film industry and explains the various methods of wage fixation. The following chapter deals with the nature of wage structure and describes its various components in the light of wage structure in other industries in Bombay and in

the film industry at Madras and Calcutta. The next Chapter deals with an occupational study providing job descriptions, evaluates jobs having regard to various factors such as initiative, skill, experience, education, responsibility, etc., and classifies them on the basis of skills. Existing wages are then analysed in chapter 6 sectorwise, unit-wise and occupation-wise and examined in the light of 'wage norms' evolved by job evaluation method. Chapter 7 deals with comparative wages in the same or similar industries in the same and neighbouring localities and the real value of wages at different points of time. A summary of findings is provided in chapter 8 which also brings out deficiencies in wage levels. The impact of wages on industrial relations in film industry vis-avis other industries has been analysed in the subsequent chapter.

The last part attempts to evolve a rational wage structure for film industry. Chapter 10 analyses the factors influencing wage level, both absolute and relative. Measures for possible improvement of conditions responsible for low wage level are formulated in Chapter 11. The next chapter examines the impact of increase in wage level on employment and growth of film industry. The last chapter deals with conclusions and suggestions.

2.0. INDUSTRIAL BACKGROUND.

The theme of this chapter is to give an account of film industry in its nascent stage and its gradual structural and institutional development. Economic prosperity or otherwise, organisational shake-ups bringing into relief the roles of stars, producers, directors, etc. are indeed material factors influencing the wage level. These topics are treated in this chapter in a limited way so as to provide a background to appreciate the existing wage structure and behaviour. It is not intended to give an exhaustive treatment to all these topics, which obviously cannot be done in a single chapter. The attempt is to render an account of certain factual settings for the purpose of analysing and understanding the wage pattern.

The sources of information are factual data collected personally in the course of investigation, discussions with knowledgeable persons in the industry and journals on film industry. They have been indicated separately at appropriate places.

It would be interesting to study in the first instance the importance of film industry in the context of national economy and its features.

2.1. Place of Film Industry in the National Economy.

India ranks very high among the film producing countries of the world. Although she stands second in terms of the number of feature films produced, she produces the largest number of "screen metres" in the world¹. An average feature film in India is 3,400

1. United Nations: Statistical Year Book, 1966,
P. 78 and 756-61.

metres in length as against the Japanese and United States films of 1,500 and 2,400 metres respectively. India produced about 10.95 lacks² screen metres in 1965, while Japan and U.S.A. produced 7.35 lacks and 4.58 lacks screen metres respectively. In contrast to the production of films, India's achievement in the exhibition sector is rather poor. India has hardly 11 theatres per million of her population, whereas the U.S.A. and Japan have about 72 and 47 theatres per million respectively. Per capita annual attendance in India, however, is the same as in Japan, namely, 3.8 as against 11.7 in the United States³.

In order to trace the importance of the film industry in the national economy, particularly its importance in the organised sector of economy, data regarding capital investment, employment, and value of output of 15 major manufacturing industries are presented below. These industries account for about 88% of total capital invested in manufacturing industries, 76% of employment and 71% of the value of output of all manufacturing industries.

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2. 1 lac is equal to one hundred thousand or one tenth of a million.
 3. While movie pictures provide the major source of entertainment in India, such is not the case in U.S.A. and Japan where other forms of entertainments viz. travelling, fishing, hunting, sports, television, horse racing, clubs, parks, etc. are equally popular. The prosperity of film industry in U.S.A. and Japan may be attributed to higher per capita income, the availability of more leisure for the people of those countries and the extent of rationalisation introduced in the film industry. All these factors are relatively less predominant in India. Television, however, does not pose a challenge to Indian film industry though it has adversely affected the industry in U.S.A. and Japan.

Table No.1: Capital investment, employment and value of out-put of major manufacturing industries in India (1965)

Industry.	Capital.		Employment.		Value of out-put (Rs. in crores).
	(Rs. in crores.)	% to total.	No. of workers. (000)s.	% to total.	
1. Electricity, light and power.	1913	34.8	277	9.2	354 <i>needed</i>
2. Iron and Steel.	1103	20.1	303	10.1	613
3. Textiles (Spinning and weaving).	597	10.9	1175	39.0	1360
4. Engineering (Manufacturing of Machinery).	480	8.7	345	11.5	558
5. Basic Chemicals.	310	5.6	71	2.4	249
6. Sugar and Gur.	172	3.1	134	4.5	304
7. Non-ferrous metal.	128	2.3	31	1.0	115
8. Manufacturing of motor vehicles.	127	2.3	84	2.8	252
9. Paper and Paper products.	127	2.3	60	2.0	111
10. Manufacturing of rail-road equipment.	123	2.2	200	6.6	169
11. Petroleum Refineries.	106	1.9	7	0.2	67
12. Metal products.	90	1.6	86	2.8	155
13. Cement.	87	1.6	33	1.1	104
14. Film.	85	1.4	110	3.6	79 /
15. Printing Presses.	62	1.2	98	3.2	92
Total.	5510	100.0	3014	100.0	4582
All Industries.	6300	-	3953	-	6420

(Note:- Data pertain to factories employing 50 or more workers).

Source:- Basic Data: Annual Survey of Industries, Central Sector - (Provisional Results), Central Statistical Organisation, Government of India, 1965.

Taking into account capital investment, employment and value of output, electricity, light and power, iron and steel, textiles, engineering and chemicals are the big five industries in India, as revealed by the table. These together account for nearly 70% of the total capital invested in the more organised manufacturing sector. Among the rest of major industries, the film industry stands ninth in respect of capital investment, third in regard to employment and last from the viewpoint of value of output. It would appear that the capital efficiency in terms of employment is considerably high in the case of film industry. This is evidenced by the fact that it occupies fourth place on the basis of investment-employment ratios.

Apart from this, the film industry occupies a unique position as an entertainment industry. The film industry is the most important source of healthy recreation and the advancement of social and cultural activities. It is the cheapest form of entertainment, as the admission rates for cinemas are far lower than those for dramatic performances or other forms of amusements. It has played an important role in depicting the cultural life of different parts of the country. The film is the most powerful instrument of educating masses through the medium of entertainment. It has been possible to remove the barriers of illiteracy and education can now reach even the most backward class of society. The film industry thus serves as an important sphere for enjoyment of leisure and advancing social and cultural opportunities.

The present position of Bombay film industry vis-a-vis the Indian film industry may be summarised, based on Industry's assessment⁴. In 1967, there were 58 studios and 38 laboratories

4. IMPPA. Journal of Film Industry - January 26, 1968.
P. 12.

(including those attached to studios) distributed over 13 centres in India. Of these, Bombay accounted for 18 studios and 12 laboratories. The number of active production concerns in India stood at nearly 600, of which about 300 were located in Bombay. The average production in India for the past three years was 320 feature films per year as against 114 films in Bombay. There were 1200 film distributing concerns all over the country, the share of Bombay being about 150. The number of cinemas in India was 5,675, comprising 3,925 'permanent' and 1,750 touring talkies. They had an estimated total seating capacity of 3.5 millions with an average daily attendance of 6 millions. The annual gross income of the industry was about Rs.109 crores in 1966⁵. After accounting for entertainment tax at 33 per cent of gross returns and the income of foreign pictures at Rs.8 crores, the net income of the Indian pictures in 1966 works out to the tune of Rs.65 crores. In Bombay, there were 83 theatres in 1966 with a total seating capacity of 60,000 and an average daily attendance of .15 millions. The annual gross collection of the Bombay cinemas was about Rs.9.18 crores in 1966, the net income after deducting entertainment tax being Rs.5.15 crores⁶.

The total investment of Indian film industry^{in 1967} amounted to Rs.90 crores, which included Rs.21 crores in studios and laboratories, Rs.25 crores in production and distribution and Rs.44 crores in exhibition and distribution and

Employment in the Indian film industry was in the neighbourhood of 1,10,000 persons in 1965. The production sector including

5. Source: Films Division of the Government of India. 1 crore is equal to 10 millions.

6. Source:- Enforcement Machinery under the Entertainment Duty Act, Bombay.

studios and laboratories provided employment to about 23,000 workers, whereas distribution and exhibition sectors accounted for 10,000 and 77,000 workers respectively. According to an enquiry conducted by the author, the industry in Bombay offered employment to about 14,000 persons in 1965- 10,400 in film production sector, 990 in distribution sector and 2,700 in exhibition sector.

2.2. Salient Features of Industry.

The film production industry is a remarkable combination of various arts and sciences. It is a composite art industry in which several facets of arts literature, histrionic, painting, music, dancing, sculpture, etc. blend to attain artistic harmony. Sciences such as photography, sound recording and film processing also contribute in no small measure to the artistic excellence in film making. The appliances of photography and sound recording, for instance, may be technologically perfect but their handling is a realm of superb art. It is the selective human element behind mechanical precision which alone can create the ultimate in art.

As an art industry, it depends upon a number of human factors for production as well as for success at the box office. While artistic talents constitute the intangible essential ingredient in film making, public taste and preferences decide its success at the box office. It is indeed difficult to lay down any yard-stick to ascertain human quality and tastes in advance on any scientific basis and attendant risks inherent in such a venture have to be reckoned with since its inception.

Films is a creative industry. Unlike other manufacturing industries where the products are standardised, every film is singular and original. Since the production of films cannot be undertaken on a mass scale like bicycles, the methods which prove so useful in mass production are, therefore, worthless in film

production.

Film is a glamour industry, attracting considerable number of people by its enchanting atmosphere. Economic laws in respect of recruitment, wage determination, etc. do not hold good in this industry to the extent they are vitiated by the industry's glamour.

The film industry presents many peculiarities in employment. Of about 14,000 persons seeking work in the film industry, about 7,000 or 50% are employed regularly in studios, laboratories, short film production section, distribution and exhibition sectors. Nearly 5,000 persons, who constitute 35.7% of the total are free-lance workers seeking jobs in feature film production section. It is estimated by the industry that about 3,000 persons are employed with producers at any point of time, the rest remaining unemployed and seeking work in the industry⁷. Of the persons employed by producers, some are engaged in more than one assignment at a time. On enquiry with about 500 sampled workers, it was noticed that about 30% of them were engaged in multiple jobs simultaneously as may be seen from the table below, which also gives a comparative picture of the employment situation existing in October 1955.

7. Government of Maharashtra - Report of the Committee for Employees in the Film Production Industry, 1966. P. 22.

Table No.2: Pattern of free-lance employment.
(1955-65).

Item.	Percentage to total workers.	
	1965.	1955*.
Unemployed.	38.0	16.5
Employed in 1 Picture.	32.1	62.3
Employed in 2 Pictures.	12.7	16.1
Employed in 3 Pictures.	10.7	1.5
Employed in more than 3 pictures.	6.5	3.6
Total.	100.0	100.0

Source:- * Report on an Enquiry into the conditions of labour in cinema industry in Bombay State. P. 19.

The table reveals that the percentages of workers in multiple assignments were 21 in October 1955 and 30 in March 1965, indicating increasing trends in multiple assignments. This has resulted in higher incidence of 'unemployment' in 1965 which is also reflected in the table. The reason for multiple assignment is not far to seek. If the artiste or technician were to work for only one picture at a time, there is no certainty that after completing the only picture on hand he will secure fresh employment immediately. He accepts, therefore, an assignment which comes to his notice at any time.

The remaining 2,000 workers or 14.3% of the total are engaged on casual basis. These workers include categories such as musicians, junior artistes, movie ^{stunt} artistes, singers, etc. whose ~~nature of~~ work is of a casual nature. They are employed for a particular 'shift' of specific hours. Not all of them are employed on each day. On an average, they find employment for 10 to 12 days in a month⁸.

8. Government of Maharashtra - Report of the Committee for Employees in the Film Production Industry, 1966. P.22.

Under-employment among them, thus works out at about 45%.

A large number of persons appears to 'cling' to the production section of film industry. Persons who do not get jobs in the production section to which they still cling, are 'unemployed' in a limited sense. They are available for work only in the film industry. Mobility of labour is thus almost absent in the film production industry.

2.3. Industrial Structure and Organisation.

The film industry consists of three broad sectors, namely production, distribution and exhibition. In the production sector, a picture is produced by photographing a number of scenes on 'raw film' in a studio or on location. The film is later processed in a laboratory. The exhibition sector comprises cinema theatres where the film is publicly screened. The distributive machinery serves as a link between the production and exhibition sectors.

The production sector again is divided into three sections - film production, studios and laboratories. Most of the production is concerned with 'feature films', which narrate stories mainly for entertainment. There are 'short films' also, which extend to less than 3,000 feet each. These are documentaries, educational films, cartoon or animation films, advertisement films and newsreels, providing information, education or publicity of the products to be advertised.

Studios prepare sets⁹ according to the requirements of producers and offer them facilities for indoor shooting of films by providing movie camera, sound recording apparatus, lighting equipment and sometimes set 'properties'¹⁰ and costumes. Film processing

9. A set means artificially created structure within a studio, depicting a particular location in the story.

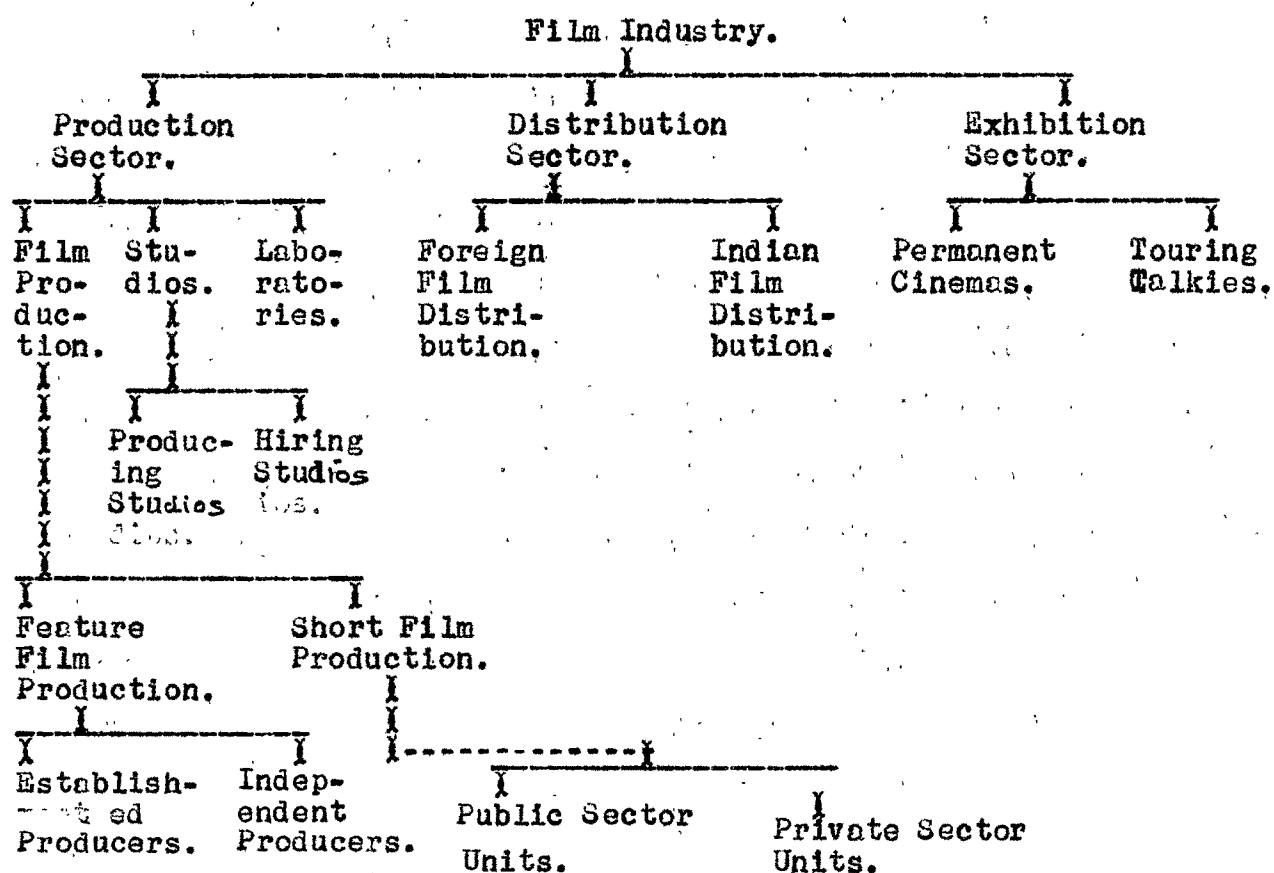
10. Properties refer to articles and exhibits used for decorating a shooting set, indicating the period and nature of a picture.

laboratories develop and print films. Quite a few laboratories are attached to studios, while most of them are 'commercial' laboratories, catering to the needs of independent producers. Only two concerns in Bombay, namely Rajkamal Kalamandir and Basant Pictures are 'composite', in that they produce pictures and have their own studios and laboratories.

A few distributors deal exclusively with foreign films, while others handle mostly Indian films. Foreign film distributors are subsidiary units of their foreign principals and are managed with the assistance of Indian staff. Indian film distributors usually work only in certain areas of operation called 'circuits', although a few distributors operate on an all-India basis.

Exhibition sector is the barometer of the general economic condition of film industry. There are two types of exhibitors, namely 'permanent cinemas' and touring talkies.

The following chart gives broad structure of the film industry.



There are only a few concerns, which own and operate all the complementary sectors of the industry. They produce films, have their own distribution organisation and command a few theatres. There are, on the other hand, quite a large number of concerns, which undertake production and distribution or distribution and exhibition. However, the bulk of production, distribution and exhibition activities are separately undertaken by independent units.

The producer is in overall charge of the production of a picture. He associates himself fully with pre-production planning but after the commencement of production, he entrusts the technical task of film making to the director and himself supervises only the progress of production. Sometimes he writes the story or scenario of the film and directs the picture himself. The work of raising finance for production is his sole responsibility, which he executes with the assistance of production manager.

Feature film producers are of two types: those who own studios or take them on lease for a long period and others, who hire studios for one or more days. The former are called 'established producers' while the latter are known as 'independent producers'. According to the Association of British Independent Film Producers, "an independent producer is one, who has no studio or is not associated with a company owning a studio"¹¹. There were about 300 active feature film producers in Bombay in 1965. Of these, 11 producers possessed their own studios or had taken them on lease on a long-term basis, while the remaining 289 were independent producers. In addition, there were 35 short film production concerns in Bombay, which include two units in the public sector, namely, the Films

11. Board of Trade, Government of U.K., Report of the Film Studio Committee, P.6.

Division of the Government of India and the Film Unit of the Government of Maharashtra.

Proprietary and partnership types of industrial organisations accounted for about 90 per cent of the total number of concerns in the film industry in 1965¹². There were 13 public limited undertakings which formed hardly 2 per cent of the total number of concerns. The inability of promoters to win public confidence, the desire of producers to retain all the profits to themselves rather than share them with others and their will to manage the affairs without any dictates from outside are probable causes which have hindered the formation of many more public limited companies in the film industry. There was one industrial co-operative society, which conducted a studio. Formed in 1952, the Mohan Pictures Workers' Industrial Co-operative Society is reported to be working with remarkable success. There are 3 public sector undertakings - 2 in the short film production section and one in the exhibition sector.

Preponderance of proprietary and partnership organisation has led to frequent turnover of units in the production and distribution sectors. Of the total 3,787 producers who produced 2,047 films during the period of 20 years between 1941-60, 2,072 producers who represented about 55% were new comers, giving an average rate of turnover of 55% per annum. The average number of films produced dropped from 1.65 in 1941 to 1.04 in 1960.¹³

In the Indian film distribution sector, a number of units have sprung up for ad-hoc distribution of a single picture. After the

12. Based on ad-hoc investigations.

13. Based on Journals of Film Industry, 1960.

picture is fully exploited the concern is generally closed. With the exception of a few established distributors, employment in the distribution sector is 'floating'.

As the industry has grown over the past 50 years, it has undergone significant institutional changes which may now be reviewed.

2.4. Institutional Evolution.¹⁴

The film industry is now over 50 years old. This period may be broadly divided into 4 stages of development as under, each having distinct characteristics of its own.

Period of Pioneers.	1913-1930
Period of Banners.	1931-1939
Period of Directors.	1940-1950
Period of Stars.	1951-----

The period of pioneers was marked by experimental film making. Most of the jobs had to be performed singly or by only a few persons without any specialisation. The subject matter of film consisted of simple stories mostly drawn from mythology. The audience were not critical of film technique as they were enamoured by indigenous stories on the screen. The innovation of sound in 1931, however, threw the industry out of gear for some time as solution to new problems created ~~not~~ by it was beyond the competence and resources of individual producers. It called for promoting the production of films on a more systematic basis. Individual entrepreneurs gave way to commercial production units, like Prabhat Cinetone in Kolhapur, Bombay Talkies, Wadia Movietone and Ranjit Movietone in Bombay and New Theatres in Calcutta.

During the period of banners, job assignments were decentralised.

14. The account is based on discussions with knowledgeable persons.

The producer was separated from the director, who became a leader of the team of technicians, each specialising in his own field. In course of time a team spirit developed which resulted in an improvement in the quality of pictures. By this time, the number of theatres also increased, making it difficult for producer to ensure maximum exploitation of pictures. A new institution of "distributors", therefore, came into existence to serve as a link between the producer and exhibitors. The distributor also helped the producer by offering him finance during the production stage against buying distribution rights for specific areas.

In course of time, however, the binding force between banners and technicians started getting loose as technicians craved for making a career by snatching available opportunities. They migrated to spheres of temptation, resulting in total wreckage of mother institutions and the "banners' period" came to a close by 1939.

With the commencement of the second world war, there was a spurt in demand for all types of pictures on account of sudden increase in employment opportunities. 'Independent producers' who were attracted by business prospects entered the field to meet this rising demand. Being ignorant of film making, they entrusted the technical aspect of film production to directors and this paved the way for the "period of directors".

Independent producers did not invest their own money in film production on account of inherent risks involved. Out of this fear complex emerged a class of financiers who volunteered to offer money without any security. In course of time they not only assumed monopolistic position in regard to rate of interest but also dictated production code and star cast.

In contrast to established producers who owned studios and employed artistes and technicians on their permanent rolls,

independent producers engaged them on picture basis by offering them tempting remuneration, as their overhead expenditure was comparatively small. The artistes were enticed and they became free-lance. Independent producers shot pictures in studios of established producers when they were not engaged. The resultant loss of technical quality of film production was, however, overcome to a certain extent by employing technicians on their own pay rolls. After artistes, the technicians were next to fall out of the permanent pay rolls of established producers and like artistes, they too became free-lance.

With changing technique of film production and increasing public taste for dances, producers felt a growing need for crowd artistes and dancers. They could not afford to engage them on their pay rolls. The machinery for locating such artistes and collecting them on demand was found in an outside agency called "extra suppliers" which specialised in supplying on commission basis the necessary number and type of artistes.

In the meantime, a number of new directors entered the industry to cope with increased production. On account of lack of experience of production values among the budding directors, there was a series of box office flops of pictures, resulting in considerable turnover among producers.

During the period, directors appeared to have developed over-confidence in themselves. This gave rudimentary shock to the cohesive spirit and loyalty to the institution. The team^{spirit} which was a binding force among technicians was lost and the period of directors came to a close.

The incapacity of young directors to create new artistes limited their choice to a few who were then popular among cinegoers. Employment of good artistes relieved the junior directors of their worries as they (former) were accomplished artistes and needed little

direction from young directors. Financiers, who were motivated to take less risks by engaging well-known artistes, insisted upon the employment of popular stars as a pre-condition to advancing loans. Distributors too offered better terms for pictures having a renowned star cast. This resulted in unprecedented demand for a few known artistes. The period of artistes had dawned and it is now at its zenith.

On account of limited choice of stars for producers they had to approach the artistes with the sole object of securing easy finance and quick disposal of pictures. The top artistes did not fail to take advantage of this golden opportunity and they naturally pitched their demands to a new high every year. On account of heavy payments to artistes, producers fell deeper into the clutches of financiers and with the passage of time they were reduced to a humiliating position of carrying out the dictates of financiers, distributors and artistes.

We may now examine the main trends in the growth of industry during the last few decades.

2.5. Growth of Industry.

Trends in film production.¹⁵

Information regarding silent feature films is available only from 1921 to 1928 as recorded by the Indian Cinematograph Committee of the Government of India, 1927-28. The trend of production was then erratic on account of trial and error methods used by pioneering producers¹⁶. With the advent of sound in the film industry, the production of talkie feature films increased from 28 in 1931 to 233

15. Based on primary data collected from Journals of Film Industry, Indian Motion Picture Producers' Association.

16. Government of India - Report of the Indian Cinematograph Committee, 1928. P.6

in 1935. The production then showed a downward trend till 1945, in which year it reached its lowest level of 99 films. Economic depression in the early period and need to conserve imported raw film during the second world war period were responsible for the fall in film output. With the cessation of hostilities in 1945, there was a sudden spurt in industrial sector and heavy demand for films pushed production to 200 in the following year.

The post-war prosperity, however, did not last long. The industry again showed signs of stress during 1951. The period thereafter is marked by spells of prosperity and adversity arising out of various changing economic factors such as Government policy on import of raw film, excise duty on exposed film and the constitution of Export Promotion Council, Film Finance Corporation and the like. The production trends reveal the ups and downs of the industry as a whole and the emergence of Madras as the most outstanding centre of film production since 1959.

Development of distribution and exhibition.

Until about 1928 producers were distributing their own pictures. The Report of the Indian Cinematograph Committee registered no Indian Film distributor in 1928 when the number of theatres was also quite small¹⁷. A decennial record of the number of distributors shows a steep rise of distribution concerns from 200 in 1938 to 900 in 1948, 1000 in 1958¹⁸ and 1200 in 1967, indicating a rise of 500% over 1938. The number of cinema theatres increased from 300 in 1928 to 1700 in 1938, about 3000 in 1948, 4300 in 1958¹⁸ and 5675 in 1967, showing a rise of 234% over 1938.

17. Ibid. P.7

18. Rikhab Dass Jain - The Economic Aspects of Film Industry. Atma Ram and Sons., Delhi, 1960. P. 191.

The growth of distribution sector was much faster than the rise in the number of cinemas during the last three decades. As compared to the number of theatres, the number of distributors appears to be unduly large. The proportion of distributors to exhibitors dropped from 1:8.5 in 1938 to 1:4.7 in 1967, due to a number of distribution units springing up for ad-hoc film distribution and the slow pace of development in the exhibition sector.

No accurate estimates of box office collections in India or Bombay are available. Such statistics are compiled for the first time in the following table giving net box office collections in India and Bombay based upon the data available from the Films Division of the Government of India and the Enforcement Machinery under the Entertainment Duty Act, Bombay.

Table No.3. Box Office Collections in India and Bombay (1958-66).

Year.	India.		Bombay.	
	Net* collec- tions (Rs. in crores).	Index Nos.	Net* collec- tions (Rs. in crores).	Index Nos.
1958.	36.06	100	2.80	100
1959.	38.39	106	3.13	112
1960.	40.92	113	3.21	115
1961.	44.14	122	3.59	128
1962.	48.32	135	3.63	140
1963.	53.22	148	4.14	148
1964.	59.57	165	5.10	182
1965.	64.60	180	5.12	183
1966.	72.74	202	5.15	184

*Note: Net here refers to figures arrived at after deducting entertainment tax receipts from gross collections.

Sources- 1. Films Division of the Government of India.
2. Enforcement Machinery under the Entertainment Duty Act, Bombay.

In 1966, the net collections of Indian film industry are estimated at about Rs.73 crores. They have gradually increased from about Rs.36 crores in 1958 to the above level, indicating a rise of a little more than hundred per cent during the period. Net collections of Bombay cinemas steadily increased from Rs.2.80 crores in 1958 to Rs.5.15 crores in 1966, showing a rise of about 84% during the period. The striking proportion of collections in Bombay is attributed to high per capita income of the population in general and high wage level of industrial workers in particular, large number of theatres of superior type and their high rates of admission, large population of Bombay in addition to significant floating population patronising cinemas, inadequate housing conditions resulting in frequent visits to cinemas and quick changeover of pictures and release of pictures in a number of cinema theatres simultaneously.

Having surveyed the growth of industry as a whole it would be worthwhile to note briefly its development in the three main centres of film production, namely Bombay, Madras and Calcutta.

Major centres of film industry.

Bombay is the birth place of Indian film production industry, as the first feature film 'Harishchandra' was produced in Bombay in 1913. During the early period, Bombay accounted for nearly 80 to 90% of all-India film production. The introduction of sound in film making since 1931, however, gave rise to new centres of production namely, Calcutta and Madras. The industry enjoyed post-war prosperity during 1946-50 when the production ranged between 144 to 197. The growth of industry in Bombay seems to have been helped by factors such as easy availability of finance because of big money market in Bombay, migration of producers from the Punjab and talented artistes and technicians from Calcutta after the partition of India in 1947 and the production of a large number of Hindi pictures which have an all-India

market as against other centres which concentrated on regional language pictures having limited field of exploitation.

In the silent picture era, Madras produced negligible number of films. With the dawn of talkie films in 1931 Madras emerged as a South Indian language film production centre. The growth of industry at Madras is, however, of recent origin i.e. since 1951, when 58 films were produced. In 1959, Madras snatched the eminent position from Bombay, when it surpassed the production in Bombay for the first time. Since then, Madras stands first in India in the sphere of feature film production. In the early period, the centre had confined itself to regional language films but recently it has started the production of Hindi films as well. Expansion of Madras as a centre of film production seems to have been facilitated by factors such as, sound financial position of production concerns, comparatively larger field of exploitation of South Indian pictures as South India prefers regional language films to Hindi films, existence of more cinemas in Southern circuit than in any other circuit, preference of South Indian audience for pictures depicting mythology, fantasies or historical events which require smaller cost, absence of idiosyncrasies of the star system and low rates of admission tickets.]

A feature of the industry at Madras is the financial soundness of producers. Film production here appears to be more methodical and better planned than in Bombay. The industry is, therefore, able to return high dividends to producers. Unlike Bombay, more films are produced by established producers rather than new comers.

Calcutta is known for its idealistic film production. Bengali films have many a time won all-India and international awards for being adjudged as the best films. The industry, however, experienced a severe setback with the partition of India in 1947 by losing East Bengal to Pakistan, which constituted a vast market for Bengali films.

The industry also suffered heavily on account of the migration of both capital and talents to Bombay, which offered them better terms and more scope. Since 1956, production showed a falling trend. In 1967 the industry produced hardly 32 films, the smallest production since 1947. On the contrary, the exhibition sector seems to be enjoying prosperity on account of limited number of theatres and increased population due to extensive migration from East Bengal.

In 1966, there were 13 studios, 7 process laboratories and 37 theatres in Madras, 7 studios, 2 laboratories and 75 theatres in Calcutta as against 20 studios, 12 laboratories and 83 theatres in Bombay.